



County of Los Angeles
CHIEF ADMINISTRATIVE OFFICE

713 KENNETH HAHN HALL OF ADMINISTRATION • LOS ANGELES, CALIFORNIA 90012
(213) 974-1101
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DAVID E. JANSSEN
Chief Administrative Officer

April 18, 2006

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, CA 90012

Dear Supervisors:

Board of Supervisors
GLORIA MOLINA
First District

YVONNE B. BURKE
Second District

ZEV YAROSLAVSKY
Third District

DON KNABE
Fourth District

MICHAEL D. ANTONOVICH
Fifth District

**SEVEN-YEAR LEASE
DISTRICT ATTORNEY/OFFICE OF AFFIRMATIVE ACTION COMPLIANCE
201 NORTH FIGUEROA STREET, LOS ANGELES
(FIRST DISTRICT) (3 VOTES)**

IT IS RECOMMENDED THAT YOUR BOARD:

1. Approve and instruct the Mayor to sign the attached seven-year lease with 201 North Figueroa Property, LLC (Landlord) for the occupancy of 87,810 rentable square feet of office space for the District Attorney (DA) and Office of Affirmative Action Compliance (OAAC) at 201 North Figueroa Street, Los Angeles, at a initial annual rental cost of \$2,160,126, with the right to rent up to 220 parking spaces at an additional \$343,200 annually. The rental costs will be 100 percent net County cost.
2. Find that the lease is exempt from the provisions of the California Environmental Quality Act (CEQA) pursuant to Class 1, Section r of the Environmental Document Reporting Procedures and Guidelines adopted by your Board on November 17, 1987, and Section 15301 of the State CEQA Guidelines.
3. Approve the project and authorize the Chief Administrative Office (CAO), DA and OAAC to implement the project. The lease will be effective upon approval by your Board.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

Since June 1993, the DA has leased office space at 201 North Figueroa Street, Los Angeles, for its Major Fraud Division operations. The lease was amended in November 1998 to include the DA's Bureau of Management and Budget and several specialized units dealing with white collar crime including worker's compensation fraud corruption, criminal profiteering-forfeiture, special litigation, elder abuse and automobile insurance fraud. The lease was further amended in January 2001 to include 3,075 square feet of office space for the benefit of the OAAC. This lease expired November 14, 2005 and is currently operating on a month-to-month holdover basis.

Subsequently, as its departmental functions have grown, the OAAC separately acquired in November 2004, and June 2005, approximately 3,661 square feet under two administrative delegated authority leases for its Employee Discrimination Mediation, Americans with Disabilities Act (ADA) Compliance, and Health Services Investigation sections, as well as related mediation hearing rooms.

The adoption of this new lease will cancel the existing three leases and consolidate them into one new seven-year agreement, as well as provide a Tenant Improvement (TI) allowance for new paint, carpet, and minor refurbishment of the DA/OAAC office space, as needed. With the addition of the recently approved 985 square feet for OAAC's Risk Management section the facility will potentially house 342 employees for the two departments.

A continuous cancellation right was negotiated in the lease effective at or anytime after the 54th month of the term of the new lease. The term of the lease becomes effective upon adoption by your Board.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

The Countywide Strategic Plan directs that we provide organizational effectiveness and ensure that service delivery systems are efficient, effective and goal oriented (Goal 3) and that we strengthen the County's fiscal capacity (Goal 4). In this case, the proposed lease supports these goals with a suitably located office with appropriate workspace for the DA and OAAC and we are housing multiple departmental functions in leased space as further outlined in Attachment A.

FISCAL IMPACT/FINANCING

The proposed lease will provide the DA/OAAC the use of 87,810 rentable square feet of office space at an initial monthly base rent of \$180,010.50 per month, or \$2,160,126 annually.

201 No. Figueroa	Existing Leases	Proposed Lease	Difference
Area (Square feet)	86,825	87,810	+ 985
Term	5 years + 2 Amendments (06/15/93 to 11/15/05)	Seven years (Upon adoption)	New Seven year lease
Annual Rent	\$1,851,424 (\$21.32/sq.ft.)*	\$2,160,126 (\$24.60/sq.ft.)	+ \$308,702 (\$3.28/sq.ft.)
Base TI Allowance (included in rent)	N/A	\$526,860 (\$6.00/sq.ft.)	+ \$526,860
Parking	200 off-street spaces (\$130/month per space)	220 off-street spaces (\$130/month per space)	+ 20 spaces None
Cancellation	One time right after 2.5 years with 9 months notice	Continuous right after 4.5 years with 9 months notice	- 2 years
Rental Adjustments	Operating Expenses at 5%	Annual CPI; 2.5% minimum, 4.5% maximum	CPI in lieu of operating expense pass-through

* Includes operating expenses in rent.

This is a full-service lease whereby the Landlord is responsible for all operating costs associated with the County's occupancy. Included in the rent, without interest, is a \$6 per square foot, or \$526,860, TI allowance to be used as needed for the refurbishment of the existing office space including new paint and carpet, although up to \$200,000 is reimbursable to the County if not utilized. The rent is subject to annual Consumer Price Index (CPI) increases of a minimum of two and a half percent and a maximum of four and a half percent beginning at the second year of the lease term. Parking is not included in the rental rate and will be billed to the departments at the rate of \$130 per space per month, fixed for the term of the lease. Parking for the facility falls under the County's Civic Center parking plan.

Sufficient funding for the proposed lease is included in the 2005-06 Rent Expense Budget and will be billed back to the DA and OAAC. The DA and OAAC have sufficient funds in their 2005-06 operating budgets to cover the projected lease costs. The rental cost for these departments is 100 percent net County cost.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The proposed seven-year lease will continue to serve as administrative office space for the DA and OAAC in 87,810 rentable square feet and 220 parking spaces. The proposed lease contains the following provisions:

- New seven-year term and rent commences upon approval by the Board;
- Additional 985 square feet of office space for OAAC's Risk Management section;
- A full-service gross basis with the Landlord responsible for all operating and maintenance costs;
- A TI allowance of \$526,860, or \$6 per square foot, included in the base rental rate for improvement of the premises;
- Annual rental increases aligned with CPI of a minimum of 2.5 percent and maximum of 4.5 percent in lieu of existing operating expenses pass-through provision;
- A cancellation provision allowing the County to cancel at or anytime after the fifty-fourth month of the term upon nine months prior written notice and payment of a cancellation fee equal to unamortized balance of the TI allowances and commissions amortized at eight percent.

The CAO Real Estate Division staff conducted a survey within the Civic Center area to determine the availability of comparable and more economical sites. Staff was unable to identify any sites in the surveyed areas that could more suitably accommodate this requirement. Based upon said survey, staff has established that the rental range for similar space is between \$20.40 and \$33.00 per square foot per year, full-service gross, without parking. Thus the annual rental rate of \$24.60 full-service gross for the proposed lease represents a rate in the middle market range for the area. Attachment B shows all County-owned and leased facilities within the search areas for these programs and there are no suitable County-owned or leased facilities available for this program.

The Department of Public Works has inspected the subject facility and found it suitable for the County's occupancy under a lease.

The premises in the proposed lease are located in a high-rise commercial building and it does not provide the necessary amenities to operate a child care center nor is it feasible for the departments at this time.

ENVIRONMENTAL DOCUMENTATION

This lease involves the use of space in an office building for the purpose for which it was constructed (office use) for the housing of County operations that do not include visits by the public as a normal, regular and recurring function of such operations, as the OAAC and DA do not receive members of the public at this facility. Therefore, the project is categorically exempt from CEQA as specified in Class 1, Section r, of the Environmental Document Reporting Procedures and Guidelines adopted by your Board on November 17, 1987, and Section 15301 of the State CEQA Guidelines.

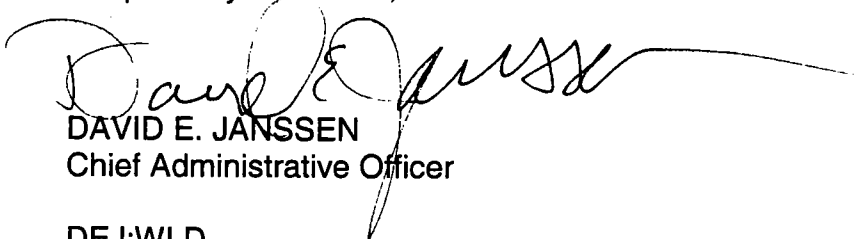
IMPACT ON CURRENT SERVICES (OR PROJECTS)

The proposed lease will provide the necessary office space for this County requirement. In accordance with your Board's policy on the housing of any County offices or activities, the DA and OAAC concur in this lease recommendation.

CONCLUSION

It is requested that the Executive Officer, Board of Supervisors, return three originals of the executed lease agreement and the adopted, stamped Board letter, and two certified copies of the Minute Order to the CAO, Real Estate Division at 222 South Hill Street, 4th Floor, Los Angeles, CA 90012 for further processing.

Respectfully submitted,



DAVID E. JANSSEN
Chief Administrative Officer

DEJ:WLD
CEM:NCH:hd

Attachments (3)

c: District Attorney
Office of Affirmative Action Compliance
Auditor-Controller
County Counsel

**DISTRICT ATTORNEY/OFFICE OF AFFIRMATIVE ACTION COMPLIANCE
201 NORTH FIGUEROA STREET, LOS ANGELES**

Asset Management Principles Compliance Form¹

1.	<u>Occupancy</u>		Yes	No	N/A
	A	Does lease consolidate administrative functions? ²	X		
	B	Does lease co-locate with other functions to better serve clients? ²			X
	C	Does this lease centralize business support functions? ²	X		
	D	Does this lease meet the guideline of 200 sq. ft of space per person? ² Larger space required to house lawyers and support staff as well as mediation conference rooms on behalf of the OAAC.		X	
2.	<u>Capital</u>				
	A	Is it a substantial net County cost (NCC) program?	X		
	B	Is this a long term County program?	X		
	C	If yes to 2 A or B; is it a capital lease or an operating lease with an option to buy?		X	
	D	If no, are there any suitable County-owned facilities available?		X	
	E	If yes, why is lease being recommended over occupancy in County-owned space?			X
	F	Is Building Description Report attached as Attachment B?	X		
	G	Was build-to-suit or capital project considered? This lease is intended to act as continued holdover office space until the completion of the Hall of Justice.		X	
3.	<u>Portfolio Management</u>				
	A	Did department utilize CAO Space Request Evaluation (SRE)?	X		
	B	Was the space need justified?	X		
	C	If a renewal lease, was co-location with other County departments considered?	X		
	D	Why was this program not co-located?			
		1. ____ The program clientele requires a "stand alone" facility.			
		2. ____ No suitable County occupied properties in project area.			
		3. ____ No County-owned facilities available for the project.			
		4. ____ Could not get City clearance or approval.			
		5. <u>X</u> The Program is being co-located.			
	E	Is lease a full service lease? ²	X		
	F	Has growth projection been considered in space request?	X		
	G	Has the Dept. of Public Works completed seismic review/approval?	X		
	¹ As approved by the Board of Supervisors 11/17/98				

²If not, why not?

Attachment B

OFFICES OF THE DISTRICT ATTORNEY AND AFFIRMATIVE ACTION COMPLIANCE SPACE SEARCH – CIVIC CENTER/SURROUNDING AREA

LACO	FACILITY NAME	ADDRESS	SQUARE GROSS	FEET NET	OWNERSHIP	SQ.FT. AVAILABLE
5461	DHS-HOLLYWOOD/WILSHIRE PUBLIC HEALTH CENTER	5205 MELROSE AVE, L A 90038	27578	14811	OWNED	NONE
5805	MENTAL HEALTH COURTHOUSE	1150 N SAN FERNANDO RD, L A 90065	28523	16817	OWNED	NONE
C760	DPSS-EAST L A GROW EMPLOYMENT SERVICES CENTER	2200 N HUMBOLDT ST, L A 90031	23655	17554	LEASED	NONE
A424	DPSS-EQUITABLE PLAZA BUILDING	3435 WILSHIRE BLVD, L A 90010	65872	62578	LEASED	NONE
A578	AUDITOR - SHARED SERVICES INITIATIVE	3470 WILSHIRE BLVD, L A 90010	11400	10830	LEASED	NONE
A532	HEALTH-WILSHIRE METROPLEX BUILDING	3530 WILSHIRE BLVD, L A 90010	113920	101920	LEASED	NONE
A336	SHERIFF-WILSHIRE CENTRE BUILDING	3055 WILSHIRE BLVD, L A 90010	7755	7115	LEASED	NONE
A408	DCFS-THE U S BORAX BUILDING	3075 WILSHIRE BLVD, L A 90010	132488	105568	LEASED	NONE
A160	MENTAL HEALTH-HEADQUARTERS OFFICE ANNEX	3160 W 6TH ST, L A 90020	60800	28372	LEASED	NONE
X317	DCSS-LE SAGE COMPLEX 4 STORY BUILDING	3175 W 6TH ST, L A 90020	52230	42341	OWNED	NONE
A413	HUMAN RESOURCES-WILSHIRE SQUARE TWO BUILDING	3333 WILSHIRE BLVD, L A 90010	76304	65438	LEASED	NONE
A425	DCFS-DEPARTMENTAL HEADQUARTERS BUILDING	425 SHATTO PL, L A 90020	80756	76065	LEASED	NONE
Y193	PARKS & RECREATION-HEADQUARTERS BUILDING	433 S VERMONT AVE, L A 90020	31862	21777	OWNED	NONE
A369	DCFS-PROCUREMENT AND SPECIAL SERVICES OFFICE	501 SHATTO PL, L A 90020	17751	15976	LEASED	NONE
X510	PARKS & REC-LE SAGE COMPLEX 2 STORY BUILDING	510 S VERMONT AVE, L A 90020	31540	24835	OWNED	NONE
X532	DCSS-LE SAGE COMPLEX 1 STORY BUILDING	532 S VERMONT AVE, L A 90020	14126	10314	OWNED	NONE
X550	MENTAL HEALTH-LE SAGE COMPLEX TOWER	550 S VERMONT AVE, L A 90020	171651	149668	OWNED	NONE
B695	HEALTH-IMMUNIZATION PRGM/ENVIRONMENTAL HEALTH	695 S VERMONT AVE, L A 90010	14274	12847	LEASED	NONE
C660	DPSS-GAIN PROGRAM REG IV/ MEDI-CAL OUTSTATION	2910 W BEVERLY BLVD, L A 90057	120327	33635	LEASED	NONE
B500	DHS-WORKFORCE DEVELOPMENT PROGRAM	500 S VIRGIL AVE, L A 90020	8000	7200	PERMIT	NONE
A600	CENTRAL CIVIL WEST COURTHOUSE	600 S COMMONWEALTH AVE, L A 90005	208799	156237	LEASED	NONE
A360	DPSS-METRO NORTH AP/ CALWORKS DISTRICT OFFICE	2601 WILSHIRE BLVD, L A 90057	62000	60140	LEASED	NONE
B922	DPSS-WILSHIRE SPECIAL DISTRICT OFFICE	2415 W 6TH ST, L A 90057	46228	42065	LEASED	NONE
D015	DPSS-CATHOLIC CHARITIES COMPUTER CENTER	1530 JAMES M WOOD BLVD, L A 90017	200	200	PERMIT	NONE
6518	THE ADAMS & GRAND BUILDING	2615 S GRAND AVE, L A 90007	215439	183874	OWNED	NONE
5353	DPSS-METRO SPECIAL DISTRICT OFFICE	2707 S GRAND AVE, L A 90007	115242	89650	OWNED	NONE
A388	ALT PUBLIC DEF-WILSHIRE-BIXEL BUILDING	1055 WILSHIRE BLVD, L A 90017	6500	6175	LEASED	NONE
5266	METROPOLITAN COURTHOUSE	1945 S HILL ST, L A 90007	303434	125469	FINANCED	NONE
0155	STANLEY MOSK COURTHOUSE	111 N HILL ST, L A 90012	794459	441761	OWNED	NONE
A159	DISTRICT ATTORNEY-FIGUEROA PLAZA	201 N FIGUEROA ST, L A 90012	84607	80377	LEASED	NONE
5546	DHS-CENTRAL PUBLIC HEALTH CENTER	241 N FIGUEROA ST, L A 90012	60924	34748	OWNED	NONE
3155	THE MUSIC CENTER-DE LISA BUILDING/ THE ANNEX	301 N GRAND AVE, L A 90012	27582	17978	OWNED	NONE
5456	HEALTH SERVICES ADMINISTRATION BUILDING	313 N FIGUEROA ST, L A 90012	221359	134851	OWNED	NONE
0181	KENNETH HAHN HALL OF ADMINISTRATION	500 W TEMPLE ST, L A 90012	958090	591457	FINANCED	NONE
A496	PUBLIC DEFENDER-L A LAW CENTER BUILDING	207 S BROADWAY, L A 90012	7100	6750	LEASED	NONE
A429	CAO-REAL ESTATE DIVISION/ SERVICE INTEGRATION	222 S HILL ST, L A 90012-3503	29013	26082	LEASED	NONE
A442	MENTAL HEALTH-LAPD - SMART TEAM OFFICE	419 S SPRING ST, L A 90013	1000	1000	GRATIS USE	NONE
3154	CLARA SHORTRIDGE FOLTZ CRIMINAL JUSTICE CENTR	210 W TEMPLE ST, LOS ANGELES 90012	1036283	399535	FINANCED	NONE
0156	HALL OF RECORDS	320 W TEMPLE ST, L A 90012	438095	258677	OWNED	NONE
Y013	DPSS-CIVIC CENTER DISTRICT/GROW CENTER OFFICE	813 E 4TH PL, L A 90013	39956	25158	OWNED	NONE
A384	AG COMM/WTs & MEASURES-DOWNTOWN MARKET	1320 E OLYMPIC BLVD, L A 90021	776	776	LEASED	NONE
5979	CENTRAL ARRAIGNMENT COURTHOUSE	429 BAUCHET ST, L A 90012	83692	30638	FINANCED	NONE
C863	MED CTR-PATIENT FINANCIAL SERVICES OFFICE	1910 N MAIN ST, L A 90031	13300	8919	LEASED	NONE
5260	CORONER-ADMINISTRATION / INVESTIGATIONS BLDG	1102 N MISSION RD, L A 90033	22479	14251	OWNED	NONE
6483	MED CTR-MASONRY SHOP OFFICE - BUILDING 100	1739 GRIFFIN AVE, L A 90031	1040	950	OWNED	NONE
A436	DPSS-EXPOSITION PARK FAMILY SERVICE CENTER	3833 S VERMONT AVE, L A 90037	127511	110500	LEASED	NONE

COUNTY OF LOS ANGELES
CHIEF ADMINISTRATIVE OFFICE
LEASE AGREEMENT

**DEPARTMENT: OFFICES OF THE DISTRICT ATTORNEY AND AFFIRMATIVE
ACTION COMPLIANCE, as Tenant**

**LANDLORD: 201 NORTH FIGUEROA PROPERTY LLC, a Delaware limited liability
company**

201 North Figueroa Street, Los Angeles, CA 90017

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COUNTY OF LOS ANGELES

CHIEF ADMINISTRATIVE OFFICE

LEASE AGREEMENT

THIS LEASE is entered into as of the 18th day of April, 2006 (this "Lease") between 201 North Figueroa Property LLC ("Landlord"), and COUNTY OF LOS ANGELES, a body politic and corporate ("Tenant").

Landlord and Tenant agree:

1. BASIC LEASE INFORMATION. The following terms as used herein shall have the meanings provided in this Section 1, unless otherwise specifically modified by provisions of this Lease:

(a) Landlord's
Addresses for
Notice: c/o Beacon Capital Partners
11755 Wilshire Boulevard
Suite 1770
Los Angeles, California 90025
Attention: Mr. Jeremy B. Fletcher

and

c/o Beacon Capital Partners, LLC
One Federal Street
Boston, Massachusetts 02110
Attention: General Counsel

and

Allen Matkins Leck Gamble & Mallory LLP
1901 Avenue of the Stars
Suite 1800
Los Angeles, California 90067
Attention: Anton N. Natsis, Esq.

(b) Tenant's
Address for
Notice: Board of Supervisors
Kenneth Hahn Hall of Administration,
Room 383
500 West Temple Street
Los Angeles, California 90012

With a copy to:

Chief Administrative Office
Real Estate Division
222 South Hill Street, 3rd Floor
Los Angeles, California 90012
Attention: Director of Real Estate
Fax Number: (213) 217-4971

- (c) Premises: Approximately 87,810 rentable square feet in the Building designated as Suites 530, 675, 690, 1200, 1300, 1440, 1455, 1500 and 1600 located in the building (defined below) as shown on Exhibit A attached hereto.
- (d) Building: The building located at 201 North Figueroa St., Los Angeles, CA, which is located upon the real property described more particularly in Exhibit B attached hereto (the "Property").
- (e) Term: Seven years commencing upon the "Commencement Date", as that term is defined in Section 1(g), below; and terminating at midnight on the day before the seventh anniversary of the Commencement Date (the "Termination Date"), subject to earlier termination by Landlord or Tenant as provided herein. The phrase "Term of this Lease" or "the Term hereof" as used in this Lease, or words of similar import, shall refer to the initial Term of this Lease.
- (f) Projected Commencement Date: April 11, 2006
- (g) Commencement Date: The date of the full execution and delivery of this Lease.
- (h) Intentionally Deleted:
- (i) Basic Rent: \$180,010.50 per month (which is based upon a rental rate of \$2.05 per rentable square foot (adjustable as provided in Section 5 hereof)

- (j) Early Termination Notice Date: At or after the last day of the 54th month of the Term, subject to and in accordance with the terms of Section 4(b) of this Lease.
- (k) Rentable Square Feet in the Premises: 87,810.
- (l) Use: General office use or for any other lawful purposes, all consistent with a first class office building.
- (m) Initial Departmental Use: Office of the District Attorney and the Office of Affirmative Action Compliance.
- (n) Parking Spaces: 220 tandem reserved parking spaces (i.e., 110 tandem reserved parking stalls into which 2 vehicles each may be parked), subject to the terms of Section 20 of this Lease.
- (o) Normal Working Hours: 8:00 a.m. to 6:00 p.m., Monday through Friday and 9:00 a.m. to 1:00 p.m. Saturday, except New Year's Day, President's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, Christmas Day (on the days such holidays are generally observed) and such other holidays as are generally recognized by the County of Los Angeles, California.

1.2. Defined Terms Relating to Landlord's Work.

- (a) Tenant Improvement Allowance: \$526,860.00 (i.e. \$6.00 per rentable square foot of the Premises).
- (b) Additional Tenant Improvement Allowance: N/A
- (c) Maximum Change Order Allowance: N/A
- (d) Amortization Rate: 8%

- (e) Intentionally Deleted:
- (f) Tenant's Representative: Nevin Harrison and/or another designated staff person of the Chief Administrative Office—Real Estate Division to act on behalf of Tenant.
- (g) Landlord's Representative: Bill Wiley or such other individual as Landlord may designate from time to time.
- (h) Landlord's Address for Work Notice: Same as indicated in section 1(a).
- (i) Tenant's Address for Work Letter Notice: N/A

- 1.3. Exhibits to Lease:
- Exhibit A – Floor Plan of Premises
 - Exhibit B – Legal Description of Property
 - Exhibit C – Commencement Date Memorandum and Confirmation of Lease Terms
 - Exhibit D – Form of Tenant Estoppel Certificate
 - Exhibit E – Cleaning and Maintenance Schedule
 - Exhibit F – Community Business Enterprises Form
 - Exhibit G – Memorandum of Lease
 - Exhibit H – Request for Notice
 - Exhibit I – California Government Code §§ 5950-5955

- 1.4. Landlord's Work: Improvements per Paragraph 23 of this Lease.

2. PREMISES.

(a) Landlord does hereby lease to Tenant, and Tenant does hereby lease from Landlord, upon the terms and conditions herein set forth, the Premises described in Section 1 and Exhibit A attached hereto.

(b) The rentable square footage of the Premises shall be as set forth in this Lease and shall not be subject to re-measurement or modification.

(c) Tenant acknowledges that Tenant currently occupies the Premises pursuant to certain existing leases with Landlord and that, except as specifically set forth in this Lease, Tenant shall accept the Premises in its existing, "as is" condition.

3. PROJECT AND COMMON AREAS. The Building is part of an office project currently known as "Figueroa Plaza." The term "Project," as used in this Lease, shall mean (i) the Building and the "Common Areas," as that term is defined, below, (ii) the land (which is improved with landscaping, parking facilities and other improvements) upon which the Building and the Common Areas are located, (iii) the office building located adjacent to the Building and located at 221 North Figueroa Street, Los Angeles, California 90017, and the land (which is improved with landscaping, parking facilities and other improvements and common areas) upon which such adjacent office building is located, and (iv) the common areas servicing both the Building and such adjacent building. Tenant may use the following areas (collectively, "Common Areas") in common with Landlord and other tenants of the Building: the entrances, lobbies and other public areas of the Building, walkways, landscaped areas, driveways necessary for access to the Premises, parking areas and other common facilities designated by Landlord from time to time for common use of all tenants of the Building. Tenant shall comply with all reasonable, non-discriminatory rules and regulations regarding the use of the Common Areas established by Landlord.

4. COMMENCEMENT AND EXPIRATION DATES.

(a) Term. The term of this Lease shall commence upon the Commencement Date and terminate on the Termination Date. Within 30 days of determining the Commencement Date, Landlord and Tenant shall acknowledge in writing the Commencement Date by executing the Commencement Date Memorandum and Confirmation of Lease Terms attached as Exhibit C.

(b) Early Termination. Tenant shall have the right to terminate this Lease at any time after the Early Termination Notice Date, as defined in Section 1, by giving Landlord not less than nine months prior written notice executed by the Chief Administrative Officer of Tenant. In the event of such cancellation, Tenant shall pay a cancellation fee equal to the applicable "Termination Fee", which Termination Fee shall equal the unamortized portion, as of the early termination date, of the "Concessions" as that term is defined, below, on a seven year amortization schedule commencing on the Commencement Date, based upon an interest rate equal to the amortization rate set forth in Section 1(d) of this Lease. The Termination Fee shall be payable within 30 days following the early termination date. For purposes of this Lease, the "Concessions" shall mean the sum of (i) the "Tenant Improvement Allowance", as that term is defined in Section 23(a) of this Lease, (ii) the commissions paid by Landlord in connection with this Lease, and (iii) the amount of unamortized cost, as of the Commencement Date, of the tenant improvement allowance provided by Landlord to Tenant in connection with Tenant's previously existing lease of Suite 675 of the Building. In connection with the foregoing, Landlord and Tenant hereby stipulate and agree that the total amount of the Concessions (that will be utilized for purposes of determining the termination fee due from Tenant hereunder) equals \$842,020.17, provided that such amount shall be reduced by the portion, if any, of the Tenant Improvement Allowance under this Lease which Tenant does not utilize or receive in any form whatsoever.

5. RENT.

(a) Initial Basic Rent. Tenant shall pay Landlord the Basic Rent stated in Section 1 during the Term hereof within 15 days after the first day of each and every month of the term hereof, provided Landlord has caused a claim therefor for each such month to be filed by

Landlord with the Auditor of the County of Los Angeles (the "County"). Basic Rent for any partial month shall be prorated in proportion to the number of days in such month.

(b) CPI Adjustments. On each anniversary of the Commencement Date (each, an "Adjustment Date"), Basic Rent shall be increased by applying the CPI Formula set forth below. The "Base Index" shall be the Index published for the month which is one year prior to the applicable Adjustment Date.

(c) CPI Formula. The Index means the Consumer Price Index for all Urban Consumers for the Los Angeles-Riverside-Orange County area, all items published by the United States Department of Labor, Bureau of Labor Statistics (1982-84=100). Subject to the terms of Section 5(e), below, the "CPI Formula" means Basic Rent multiplied by a fraction (the "Fraction"), the numerator being the Index published for the month in which the applicable Adjustment Date occurs (the "New Index"), and the denominator being the applicable Base Index. If the Index is changed so that the Index differs from that used as of the Commencement Date of the Lease, the Index shall be converted in accordance with the conversion factor published by the United States Department of Labor, Bureau of Labor Statistics. If the Index is discontinued or revised during the Term of this Lease, such other governmental Index or computation with which it is replaced shall be used in order to obtain substantially the same results as would be obtained if the Index had not been discontinued or revised.

(d) Illustration of Formula. The formula for determining the new rent shall be as follows:

$$\frac{\text{New Index}}{[\text{Base Index}]} \times \$ \text{_____ (Basic Rent)}$$

= New Monthly Basic Rent

(e) Limitations. Notwithstanding anything in this Section 5 to the contrary, in no event shall the Fraction be less than two and a half percent (2.5%) or greater than four and a half percent (4.5%) in any instance.

(f) Tenant hereby acknowledges that Landlord shall deliver notice of the increase in Basic Rent hereunder, but that Landlord's notice of the increase in Basic Rent hereunder may be given after the applicable Adjustment Date. Accordingly, Tenant shall pay Landlord the accrued rental adjustment for the months elapsed between the effective date of the increase and Landlord's notice of such increase within 30 days after Tenant's receipt of Landlord's notice.

6. USES. The Premises are to be used only for the uses set forth in Section 1 and for no other business or purpose. Any change in use shall be subject to Landlord's consent, which may be withheld in Landlord's reasonable discretion.

7. HOLDOVER. In case Tenant holds over beyond the end of the Term provided with the consent express or implied of Landlord, such tenancy shall be for one two month period only and thereafter on a month-to-month basis, subject to the terms and conditions of this Lease, but shall not be a renewal hereof, and the rent shall be at the rate of 125% of the existing rate under the terms of this Lease. In the event Tenant exercises its right to terminate this Lease early pursuant to the terms

of Section 4(b), above, and thereafter holds over beyond the early termination date, such tenancy shall be on a month-to-month basis, subject to the terms and conditions of this Lease, but shall not be a renewal hereof, and the rent shall be at the rate of 150% of the existing rate under the terms of this Lease. Either party may during a holdover cancel this Lease by giving the other party not less than 60 days' prior written notice.

8. COMPLIANCE WITH LAW. Tenant shall, at Tenant's expense, comply promptly with all applicable statutes, ordinances, rules, regulations, orders and requirements in effect during the Term hereof, regulating the use, occupancy or improvement of the Premises by Tenant. Landlord, not Tenant, shall, at Landlord's sole cost, at all times cause the Premises and the Building to comply with all applicable statutes, ordinances, rules, regulations, orders and requirements in effect and binding upon Tenant or Landlord during the Term hereof, including without limitation, the Americans with Disabilities Act, except to the extent such compliance is (i) made necessary as a result of Tenant's particular use of or alterations or improvements to the Premises, or (ii) Tenant's obligation pursuant to the first sentence of this Section 8.

9. DAMAGE OR DESTRUCTION.

(a) Landlord agrees that should the Premises be damaged by fire, incidents of war, earthquake, or other elements as to render them reasonably unfit for Tenant's occupancy, and provided that the repair cannot, as reasonably determined by either party, be completed within 120 days following Landlord's initial determination of the extent of the damage, which determination and notice thereof shall be delivered by Landlord to Tenant within thirty (30) days following the occurrence of the damage, then by notice given by either party to the other not later than 30 days following such occurrence (the "Termination Notice Period"), this Lease may be terminated by either party as of the date of occurrence of any such event. In such event, Tenant shall surrender the Premises immediately (and in no event later than 10 business days) following the date of the termination notice, and shall not be obligated for any further rental which accrues after the date of the occurrence, and Landlord shall promptly refund any unearned rent paid in advance by Tenant calculated at a daily rate based on the regular monthly rental.

(b) In the event neither Landlord nor Tenant terminates this Lease, as provided above, then Landlord shall commence the repair and restoration of the Premises as soon as practicable after the occurrence and use commercially reasonable efforts to complete such repairs within 120 days after the occurrence, subject to events of Force Majeure as set forth in Section 29(a) of this Lease and/or delays caused by Tenant.

(c) Commencement of the repair and restoration under either of the aforementioned conditions shall require: (1) securing the area to prevent injury to persons and/or vandalism to the improvements, and (2) the placement of a work order or contract for obtaining the labor and materials to accomplish the repair and restoration.

(d) Tenant shall be entitled to a proportionate reduction of rent while such repairs are being made effective on the date of such damage or destruction. The proportionate reduction is to be based upon the proportion that the amount of rentable square feet within the leased Premises rendered unusable to Tenant bears to the whole rentable square footage of the Premises.

Tenant shall not be entitled to an abatement of rent pursuant to this provision when and to the extent that the damage to the Premises is the result of negligence or intentional acts of Tenant's employees.

(e) Notwithstanding anything in the foregoing terms of this Section 9 to the contrary, Landlord shall further have the right to elect not to rebuild and/or restore the Premises, Building and/or Project, and instead terminate this Lease, by notifying Tenant in writing of such termination within 60 days after the date of discovery of the damage, such notice to include a termination date giving Tenant 60 days from the date of the notice to vacate the Premises, if the Building or the project of which the Building is a part shall be damaged by fire or other casualty or cause, whether or not the Premises are affected, and one or more of the following conditions is present: (i) in Landlord's reasonable judgment, repairs cannot reasonably be completed within 180 days after the date of discovery of the damage (when such repairs are made without the payment of overtime or other premiums); (ii) the holder of any mortgage on the Building or the project in which the Building is located or ground lessor with respect to the Building or the project in which the Building is located shall require that the insurance proceeds or any portion thereof be used to retire the mortgage debt, or shall terminate the ground lease, as the case may be; (iii) the damage is not fully covered by Landlord's insurance policies; or (v) the damage occurs during the last 12 months of the term of this Lease.

(f) Notwithstanding anything contained herein to the contrary, if any material destruction to the Premises occurs during the last year of the Term, either Landlord or Tenant may terminate this Lease by giving notice to the other not more than 30 days after such destruction, in which case (i) Landlord shall have no obligation to restore the Premises, and (ii) Landlord shall retain all insurance proceeds relating to the destruction (or any proceeds which would have been available absent any self insurance permitted pursuant to the terms of this Lease), and (iii) this Lease shall terminate as of the date which his 30 days after such written notice of termination.

(g) Tenant waives the provisions of California Civil Code Sections 1932(2) and 1933(4) with respect to any partial or total destruction of the Premises.

10. REPAIRS AND MAINTENANCE.

(a) Landlord Obligations. Landlord shall keep and maintain in good repair and working order and promptly make repairs to and perform maintenance upon and replace as needed: (i) the structural elements of the Building, including without limitation, all permanent exterior and interior walls, floors and ceilings, roof, concealed plumbing, stairways, concealed electrical systems and telephone intrabuilding network cable; (ii) mechanical (including HVAC), electrical, plumbing and fire/life safety systems serving the Building; (iii) the Common Areas; (iv) exterior windows of the Building; and (v) elevators serving the Building. Landlord, at its sole cost and expense, shall also perform all maintenance and repairs to the Premises, and shall keep the Premises in good condition and repair, reasonable wear and tear excepted. Landlord's repair obligations include, without limitation, repairs to: (1) the floor covering; (2) interior partitions; (3) doors; and (4) signage. Without limiting the foregoing, Tenant shall, at Tenant's sole expense, be responsible for the cost of repairing any area damaged by Tenant or Tenant's agents, employees, invitees and visitors and the repair of low voltage electronic, phone and data cabling and related equipment that is installed by or for the exclusive benefit of Tenant. All repairs and replacements

shall: (i) be at least equal in quality, value and utility to the original work or installation, and (ii) be in accordance with all laws. The parties agree that the determination of replacement versus repair shall be at Landlord's sole discretion.

(b) Tenant's Right to Repair. If Tenant provides written notice (or oral notice in the event of an emergency such as damage or destruction to or of any portion of the Building structure and/or the Building systems and/or anything that could cause material disruption to Tenant's business) to Landlord of an event or circumstance which requires the action of Landlord with respect to repair and/or maintenance on any full floor of the Building which is included in the Premises, and Landlord fails to commence such action within a reasonable period of time, given the circumstances, after the giving of such notice, but in any event not later than 30 days after the giving of such notice, then Tenant may proceed to take the required action (provided, however, that only notice reasonable under the circumstances shall be required in the event of an emergency which threatens life or where there is imminent danger to property or a possibility that a failure to take immediate action could cause a material disruption in Tenant's normal and customary business activities). Tenant shall have access to the Building to the extent necessary to perform the work contemplated by this provision. If such action was required under the terms of this Lease to have been taken by Landlord and was not taken by Landlord within such period (or a reasonable period of time under the circumstances, in an emergency), and Tenant took such required action, then, so long as Landlord shall not dispute Tenant's right to make the subject repair hereunder and/or the amount of the costs incurred by Tenant, Tenant shall be entitled to prompt reimbursement by Landlord of Tenant's reasonable costs and expenses in having taken such action. If not reimbursed by Landlord within 30 days, Tenant shall be entitled to deduct from Basic Rent payable by Tenant under this Lease the amount set forth in its invoice for such work. The remedies provided in this Section 10 are in addition to the remedies provided in Section 14.

11. SERVICES AND UTILITIES. Landlord shall furnish the following services and utilities to the Premises:

(a) HVAC. Landlord shall furnish heating, ventilation and air conditioning ("HVAC"), during Normal Working Hours in amounts required for the use and occupancy of the Premises for normal office purposes to a standard comparable to other comparable first-class buildings in downtown Los Angeles. If Tenant uses HVAC on hours other than those set forth under Normal Working Hours stated in Article 1(o), Tenant shall pay Landlord the Landlord's prevailing rate charged by Landlord to tenants of the Building for supplying HVAC, which as of the date of this Lease is \$78.00 per hour per floor.

(b) Electricity. Landlord shall furnish to the Premises five watts of electric current (connected load) per square foot of Rentable Square Feet during Normal Working Hours, calculated on a monthly basis, in the Premises, for power and lighting and electric current for typical office use equipment. If Tenant requires electric current in excess of that supplied as set forth herein, Landlord may cause a meter to be installed in or about the Premises to measure the amount of electricity actually consumed by Tenant. The one time installation cost of any such meter shall be borne equally by Landlord and Tenant. Tenant agrees to pay to Landlord for all such excess electrical current consumed by Tenant as shown by said meter, at the rates charged for such services by the City of Los Angeles or the local public utility, as the case may be, furnishing the same, plus

any additional reasonable expense incurred by Landlord in keeping account of the electric current so consumed.

(c) Elevators. Landlord shall furnish freight (subject to Landlord's reasonable scheduling requirements) and passenger elevator services to the Premises during Normal Working Hours. During all other hours, Landlord shall furnish passenger elevator cab service in the elevator bank serving the Premises on an as needed basis, and, by prior arrangement with Landlord's building manager and at Landlord's standard charge, freight elevator service. The current charge for freight elevator service equals the sum of (i) \$25.00/hour (with a 4 hour minimum), and (ii) the cost of any additional security or guard service retained by Landlord in connection with such freight elevator service.

(d) Water. Landlord shall make available water for normal lavatory and potable water meeting all applicable governmental standards for drinking purposes in the Premises.

(e) Janitorial. Landlord shall provide janitorial service on five nights per week at least generally consistent with the schedule attached to this Lease as Exhibit E.

(f) Access. Landlord shall furnish to Tenant's employees and agents access to the Building, Premises and Common Areas on a seven day per week, 24 hour per day basis, subject to compliance with such reasonable security measures as shall from time to time be in effect for the Building.

12. LANDLORD ACCESS. Tenant shall permit Landlord and its agents to enter the Premises upon 24 hours prior written notice (except in the case of an emergency, in which case no notice shall be required) for the purpose of inspecting the Premises for any reasonable purpose and/or or for making necessary improvements or repairs and/or to provide other services required under this Lease (provided further that no notice shall be required in connection with standard services provided to the Premises in accordance with the terms of this Lease). If Landlord temporarily closes any portion of the Premises due to emergency repairs, Basic Rent shall be prorated based upon the percentage of the Premises rendered untenantable and not used by Tenant. Landlord shall have the right at any and all times to enter the Premises in the event of an emergency. In connection with any entries under this Section 12, Landlord shall use commercially reasonable efforts to minimize interference with Tenant's conduct of its business.

13. TENANT DEFAULT.

(a) Default. The occurrence of any one or more of the following events (a "Default") shall constitute a material default and breach of this Lease by Tenant:

(i) the failure by Tenant to make any payment of Basic Rent or any other payment required to be made by Tenant hereunder (except to the extent an offset is expressly permitted hereunder), as and when due and if the failure continues for a period of 5 business days after written notice to Tenant;

(ii) the failure by Tenant to observe or perform any of the other covenants, conditions or provisions of this Lease, where such failure shall continue for a period of 30 days after written notice from Landlord specifying in detail the nature of the default; provided,

however, if more than 30 days are reasonably required for its cure then Tenant shall not be deemed to be in default if Tenant commences such cure within said 30-day period and thereafter diligently prosecutes such cure to completion.

(b) Termination. Tenant agrees that if a Default should occur and should not be cured within the time periods set forth above, it shall be lawful for Landlord to terminate this Lease upon the giving of written notice to Tenant, in which event Tenant shall immediately surrender the Premises to Landlord, and if Tenant fails to do so, Landlord may, without prejudice to any other remedy which it may have for possession or arrearages in rent, enter upon and take possession of the Premises and expel or remove Tenant and any other person who may be occupying the Premises or any part thereof, without being liable for prosecution of any claim or damages therefor; and Landlord may recover from Tenant the following:

(i) The worth at the time of any unpaid rent which has been earned at the time of such termination; plus

(ii) The worth at the time of award of the amount by which the unpaid rent which would have been earned after termination until the time of award exceeds the amount of such rental loss that Tenant proves could have been reasonably avoided; plus

(iii) The worth at the time of award of the amount by which the unpaid rent for the balance of the Term after the time of award exceeds the amount of such rental loss that Tenant proves could have been reasonably avoided; plus

(iv) Any other amount necessary to compensate Landlord for all the detriment proximately caused by Tenant's failure to perform its obligations under this Lease or which in the ordinary course of things would be likely to result therefrom.

The term "rent" as used in this Section 13(b) shall be deemed to be and to mean Basic Rent required to be paid by Tenant pursuant to the terms of this Lease. As used in items (i) and (ii), above, the "worth at the time of award" shall be computed by allowing interest at the "Interest Rate," as that term is defined, below, but in no case greater than the maximum amount of such interest permitted by law. As used in item (iii), above, the "worth at the time of award" shall be computed by discounting such amount at the discount rate of the Federal Reserve Bank of San Francisco at the time of award plus one percent (1%). For purposes of this Lease, the "Interest Rate" shall be the annual "Bank Prime Loan" rate cited in the Federal Reserve Statistical Release Publication G.13(415), published on the first Tuesday of each calendar month (or such other comparable index as Landlord and Tenant shall reasonably agree upon if such rate ceases to be published) plus one percentage point.

In addition to the foregoing, Landlord shall have such other rights or remedies as may be provided by law.

(c) No Effect on Indemnity. Nothing in this Article shall be deemed to affect either Landlord or Tenant's right to indemnification under any indemnification clause or clauses set forth in this Lease.

(d) Landlord shall have the remedy described in California Civil Code Section 1951.4 (lessor may continue lease in effect after lessee's breach and abandonment and recover rent as it becomes due, if lessee has the right to sublet or assign, subject only to reasonable limitations). Accordingly, if Landlord does not elect to terminate this Lease on account of any default by Tenant, Landlord may, from time to time, without terminating this Lease, enforce all of its rights and remedies under this Lease, including the right to recover all rent as it becomes due.

14. LANDLORD DEFAULT.

(a) Remedies. In addition to the provisions for Landlord's default provided by Sections 10(b), 19 and 20(b), Landlord shall be in default in the performance of any obligation required to be performed by Landlord under this Lease if Landlord has failed to perform such obligation within 30 days after the giving of written notice with respect thereto by Tenant (which notice shall be, if appropriate, the same notice given under Section 10(b), so long as such notice indicates that a default by Landlord has occurred); provided, however, that if the nature of such default is such that the same cannot reasonably be cured within such 30 day period, Landlord shall not be deemed to be in default if Landlord shall within such period commence such cure and thereafter diligently prosecute the same to completion. Tenant may terminate this Lease upon Landlord's default of any material obligation upon giving of 30 days' written notice of termination. In addition thereto, Tenant shall have such other rights or remedies as may be provided by law. Tenant may not terminate the Lease if (1) Landlord performs and meets the obligation within the 30 day period (or shorter specified period) after notice of default is given, or (2) the obligation cannot reasonably be performed within 30 days after notice of default is given, but Landlord reasonably commences to cure the default within the 30 day period and diligently and in good faith continues to cure the default.

Tenant shall not exercise any of its rights under this Article 14, other than its rights to give notice, until Tenant gives notice to any person who has requested in writing notice of Landlord's default, and has specified that person's interest in the Lease. The notice to such person shall be for the same period of time as that to which Landlord is entitled. Such person shall have the right to cure the default within the same period of time, after notice, to which Landlord would be entitled.

If Landlord or such person does not cure the default, Tenant may exercise any of its rights or remedies provided for or permitted in this Lease or pursuant to law, including the right to recover any damages proximately caused by the default.

(b) Waiver. Nothing herein contained shall relieve Landlord from its duty to effect the repair, replacement, correction or maintenance required to restore any affected services, or to perform any other obligations to the standard prescribed in this Lease, nor shall this Section be construed to obligate Tenant to undertake any such work.

15. ASSIGNMENT AND SUBLETTING. Tenant shall have the right to assign this Lease or sub-lease the Premises so long as the intended use is consistent and compatible with the other tenancies within the Building upon the condition that the assignee or sub-lessee expressly assumes and agrees in writing to pay the rent and to perform each and every covenant and agreement in this Lease required by Tenant to be paid or to be performed. Tenant agrees to notify Landlord of any change in tenancy. Any such assignment or sublease is subject to Landlord's consent which

shall not be unreasonably withheld or delayed. It shall not be unreasonable for Landlord to withhold its consent to an assignment of this Lease or a sublease to an existing tenant of the Building; to a transferee whose use of the Premises would cause Landlord to be in violation of any covenant, condition, or binding obligations of another Building tenant's lease or an exclusive use given to another tenant in the Building; to a transferee which is not comparable in reputation and stature to the other tenants in the Building; or to a proposed assignee or subtenant which does not in Landlord's reasonable judgment have sufficient financial strength and credibility to meet the obligations undertaken by the proposed transferee. Should there be no written response from Landlord to Tenant's request to assign or sublease within 30 days, then Tenant's request shall be deemed approved. In the event Tenant's sublease of the Premises or assignment of the Lease results in a monthly rental higher than that specified in this Lease, then Tenant agrees to split any profits (less Tenant's expenses including, but not limited to, brokerage fees and departmental overhead) with Landlord on an equal basis as consideration for the rights to assign or sublet granted herein. The payment by Tenant to Landlord of any profits shall be on a monthly basis over the remaining term of the Lease. Notwithstanding the foregoing, Tenant shall have the right at all times to assign to another government agency, without Landlord's written consent so long as the intended use is consistent and compatible with the use specified in this Lease. Tenant agrees to notify Landlord in writing at least 15 days prior to the effective date of any such tenancy.

16. ALTERATIONS AND ADDITIONS.

(a) Landlord Consent. Subject to the terms hereof, Tenant shall not make any alterations, improvements, additions, or utility installations in or about the Premises (collectively, "Alterations") without first obtaining the written consent of Landlord, which consent shall not be unreasonably withheld, conditioned or delayed. However, Landlord's consent shall not be required for any Alteration that satisfies all of the following criteria: (1) complies with all Laws; (2) is not visible from the exterior of the Premises or Building; (3) will not materially affect the systems or structure of the Building; and (4) does not unreasonably interfere with the normal and customary business office operations of other tenants in the Building. If Landlord fails to respond in writing within 30 days of such request, Landlord shall be deemed to approve the Alterations. Tenant shall deliver notice to Landlord prior to commencing any Alterations. In the event Landlord approves Tenant's request to make structural alterations, then as a stipulation of Landlord's approval it shall be indicated if Tenant must remove the structural alteration and restore the Premises to its pre-alteration condition at the end of the Lease term. Landlord's failure to request removal of the alteration when consent is granted shall provide Tenant with the sole discretion to remove the structural alteration and restore the Premises to its pre-alteration condition or abandon the structural alteration upon termination of Tenant's occupancy.

(b) End of Term. Any Alterations not removed by Tenant shall become the property of Landlord and remain upon and be surrendered with the Premises at the expiration of the Term.

17. CONDEMNATION.

(a) If the Premises or any portion thereof are taken under the power of eminent domain, or sold under the threat of the exercise of said power (all of which are herein called "condemnation") any award for the taking of all or any part of the Premises shall be the property of

the Landlord, to the extent it is compensation for the taking of the fee or as severance damages. Tenant shall be entitled to that portion of the award, if any, attributable to Tenant's trade fixtures and to the unamortized portion of any improvements paid for by Tenant and for the bonus value of Tenant's leasehold. This Lease shall remain in full force and effect as to the portion of the Premises remaining except that the rent shall be reduced in the proportion that the area taken bears to the total leased Premises.

(b) In the event of a partial taking of the structure, Landlord shall use the proceeds of the condemnation received by Landlord to restore the Premises to a complete architectural unit of a quality, appearance and functional utility at least consistent with the structure as it existed prior to the taking. Rent shall abate for such time and for such area as reconstruction is required and for such areas as are not secure, weather-tight, and usable as office space. Failure of Landlord to commence such restoration within 30 days of the actual physical taking of a portion of the structure shall be grounds for Tenant to cancel this Lease by giving Landlord 15 days' advance written notice of such cancellation, or Tenant, in its discretion, may elect to undertake directly the restoration and deduct the costs thereof from the installments of rent next payable to the Landlord. Commencement under the aforementioned condition shall require (1) securing the area to prevent injury to persons and/or vandalism to the improvements, and (2) the placement of a work order or contract for obtaining the Labor and Materials to accomplish the restoration.

(c) Within 15 days of receipt of the offer to acquire the property pursuant to Section 7267.2 of the Government Code or, within 15 days of the date Landlord receives notice of the RESOLUTION of NECESSITY to condemn property, whichever is earlier, Landlord shall notify Tenant in writing (1) of condemnation proceeding and (2) physical extent of the Premises that will be affected by the proposed taking.

(d) If more than twenty-five percent (25%) of the floor area of the Premises, is taken by condemnation, Tenant may cancel this Lease effective as of the date in the notice of termination to Landlord (which shall not be less than 30 nor more than 60 days following the date of the giving of the notice). The parties agree that Landlord and Tenant shall each receive independently their relocation assistance.

(e) Notwithstanding anything in this Section 17 to the contrary, if the whole or any part of the Building or the Project shall be taken by power of eminent domain or condemned by any competent authority for any public or quasi-public use or purpose, whether or not the Premises are affected, or if any adjacent property or street shall be so taken or condemned, or reconfigured or vacated by such authority in such manner as to require the use, reconstruction or remodeling of any part of the Premises, Building or the project containing the Building, or if Landlord shall grant a deed or other instrument in lieu of such taking by eminent domain or condemnation, Landlord shall have the option to terminate this Lease effective as of the date possession is required to be surrendered to the authority.

(f) Waiver of Statute. Landlord and Tenant hereby waive the provision of California Code of Civil Procedure Section 1265.130 allowing Landlord or Tenant to petition the superior court to terminate this Lease in the event of a partial taking of the Premises.

18. INDEMNIFICATION.

(a) Tenant's Indemnity. Tenant shall indemnify, defend and hold Landlord harmless from and against all loss, cost and expense, including attorneys' fees, arising from any injury or damage to any person or property, occurring in or about the Project, the Building or Premises as a result of any negligent act, omission or willful misconduct of Tenant or its officers, contractors, licensees, agents, or employees, or arising from any breach or default under this Lease by Tenant. The foregoing provisions shall not be construed to make Tenant responsible for loss, damage, liability or expense resulting from injuries to third parties caused by the negligence or willful misconduct of Landlord, or its officers, contractors, licensees, agents, employees or invitees.

(b) Landlord's Indemnity. Landlord shall indemnify, defend and hold Tenant harmless from and against all loss, cost and expense, including attorneys' fees, arising from any injury or damage to any person or property, occurring in or about the project in which the Building is a part, the Building or Premises as a result of any negligent act, omission or willful misconduct of Landlord, or its officers, contractors, licensees, agents, or employees, or arising from any breach or default under this Lease by Landlord. The foregoing provisions shall not be construed to make Landlord responsible for loss, damage, liability or expense resulting from injuries to third parties caused by the negligence or willful misconduct of Tenant, or its officers, contractors, licensees, agents, employees or invitees.

(c) Survival. The foregoing indemnities shall survive the expiration or earlier termination of this Lease.

19. INSURANCE.

(a) Landlord's Insurance. During the term of this Lease, Landlord shall maintain the following insurance:

(i) Commercial property insurance which shall (1) cover damage to Landlord's property, including improvements and betterments, from perils covered by the causes-of-loss special form (ISO form CP 10 30), and include ordinance or law coverage (and coverage against acts of terrorism to the extent such coverage is reasonably available and priced at commercially reasonable rates) and (2) be written for full replacement cost of the property, with a deductible of no greater than 5% of the property value. Insurance proceeds shall be payable to Landlord and Tenant as their interests may appear and be utilized for repair and restoration of the Building.

(ii) General liability insurance consistent with the standards of other Class A buildings in Downtown Los Angeles (written on ISO policy form CG 00 01 or its equivalent).

(iii) Failure by Landlord to maintain the insurance required by this Section or to use any insurance proceeds to timely repair and restore the Premises shall constitute a material breach of this Lease.

(b) Tenant's Insurance. During the term of this Lease, Tenant shall maintain the following insurance:

(i) Commercial property insurance which shall (1) cover damage to Tenant's property, including improvements and betterments, from perils covered by the causes-of-loss special form (ISO form CP 10 30), and include ordinance or law coverage (and coverage against acts of terrorism to the extent such coverage is reasonably available and priced at commercially reasonable rates) and (2) be written for full replacement cost of the property, with a deductible of no greater than 5% of the property value. Insurance proceeds shall be payable to Tenant and Landlord as their interests may appear and be utilized for repair and restoration of the Premises.

(ii) Tenant shall maintain General Liability Insurance in the following amounts:

Bodily Injury and Property Damage Liability	\$5,000,000 each occurrence \$5,000,000 annual aggregate
Personal Injury Liability	\$5,000,000 each occurrence \$5,000,000 annual aggregate 0% Insured's participation

(iii) Failure by Tenant to maintain the insurance required by this Section and deliver evidence thereof as required by this Lease shall constitute a material breach of this Lease.

(iv) Notwithstanding the foregoing, Tenant shall be entitled to self-insure its insurance requirements set forth above. Any self-insurance shall be deemed to contain all of the terms and conditions applicable to such insurance as required herein, including, without limitation, the waiver of subrogation set forth herein. If Tenant elects to so self-insure, then with respect to any claims which may result from incidents occurring during the term, such self-insurance obligation shall survive the expiration or earlier termination of this Lease to the same extent as the insurance required would survive.

(c) Insurance Requirements. All insurance policies required to be maintained by either party under this Lease shall be issued by insurance companies which have a Best's Rating of "A:VII" or better and which are qualified to do business in the State of California. All liability and property damage and other casualty policies of Landlord and Tenant shall be written as primary policies, not contributing with, and not in excess of coverage which the other party may carry.

(d) Certificates. Each party shall deliver to the other on the Commencement Date of this Lease and thereafter at least 15 days prior to expiration of any insurance required to be carried hereunder, certificates of insurance evidencing this coverage with limits not less than those specified above. Tenant's Certificates must document that Landlord is named as an additional insured (or its equivalent) on Tenant's general liability insurance policy. Landlord's Certificates must document that Tenant is named as an additional insured (or its equivalent) on Landlord's general liability insurance policy. Further, all certificates shall expressly provide that no less than 30 days' prior written notice shall be given to the additional insured in the event of material change to, expiration or cancellation of the coverages or policies evidenced by the certificates.

(e) Waiver of Subrogation. Landlord and Tenant each hereby waive their rights of subrogation against one another to the extent it is covered by the property insurance policies required to be carried hereunder. Each party shall cause its insurance carriers to consent to and/or provide endorsements for the foregoing waiver of rights of subrogation against the other party.

20. PARKING. Landlord shall provide, at Tenant's request, for the use by Tenant during the Term of this Lease or any renewal or holdover period as the case may be, up to 110 reserved tandem parking spaces into which 2 vehicles each may be parked, for a total of 220 spaces, located within the Building parking structure. Tenant hereby acknowledges and agrees that the parking provided under this Lease shall be used solely by employees of Tenant at the Building and/or by invitees and agents of Tenant having significant regular and continuing business at the Premises and/or on a prorata basis by a sublessee of Tenant approved pursuant to the terms of this Lease (and shall not be permitted to be sold by Tenant to, or otherwise utilized by, any other party, including, without limitation, employees of Tenant that do not primarily perform their work for Tenant at the Premises). Tenant shall at all times rent an even number of parking spaces pursuant to the terms hereof. Subject to the terms of this Lease, Tenant may increase or decrease the parking spaces utilized by Tenant upon not less than 30 days' notice to Landlord (provided that, upon notice from Tenant, to the extent reasonably possible, Landlord shall provide additional spaces requested by Tenant pursuant to the terms hereof upon less than 30 days' prior notice from Tenant). The parking specified herein shall be assessed separately from the monthly rental specified in Paragraph 5 of this Lease. Said separate assessment shall be charged monthly on an individual basis to the District Attorney or other staff utilizing the same at the monthly rate of \$130 per space (i.e., \$130.00 for each of the two spaces included in each tandem parking space). In the event that any such staff shall not timely pay the parking charge required hereunder, Landlord shall be under no further obligation to provide parking to such individual (unless Tenant shall agree to pay the charges associated with such individual's parking). Tenant agrees to park in an area designated by Landlord on Level P-4 of the parking garage within the Building. Up to eight of the parking spaces to which tenant is entitled as set forth above (i.e., four tandem stalls) rented by Tenant may, at Tenant's election, be for the use of reserved tandem spaces for Lessee's special law enforcement vehicle parking (each, a "Priority Tandem Parking Space") (which shall be in a location designated by Landlord in an area near the parking garage rear exit on North Fremont Avenue) and up to four of the parking spaces to which Tenant is entitled as set forth above may, at Tenant's election, be for the use of single reserved spaces (each, a "Single Reserved Parking Space"), the location of which shall be designated by Landlord. Tenant shall pay for each Priority Tandem Parking Space and each Single Reserved Parking Space a monthly rental charge of \$160.00 per space. Tenant further agrees to designate a staff parking coordinator to handle distribution of parking tags to employees and to coordinate a parking plan among staff. In connection with the foregoing and Tenant's rights with respect to tandem parking spaces, Tenant hereby acknowledges and agrees that Landlord shall have no obligation to provide one or more attendants to move cars to or from Tenant's tandem spaces and that the moving of cars in and out of such spaces shall be the exclusive responsibility of the individuals utilizing the same. Failure of Landlord to provide up to a minimum of 110 tandem parking spaces into which 2 vehicles each may be parked, for a total of 220 spaces, at all times during the Term, provided Landlord has not cured said failure within 40 days following delivery of written notice from Tenant to Landlord, shall constitute a material default under this Lease. The use of the parking spaces provided by Landlord as set forth herein shall be subject to such reasonable rules and regulations as Landlord may proscribe from time to time.

21. ENVIRONMENTAL MATTERS.

(a) Hazardous Materials. Tenant shall not cause nor permit, nor allow any of Tenant's employees, agents, customers, visitors, invitees, licensees, contractors, assignees or subtenants to cause or permit, any Hazardous Materials to be brought upon, stored, manufactured, generated, blended, handled, recycled, treated, disposed or used on, under or about the Premises, the Building or the Common Areas, except for routine office and janitorial supplies in usual and customary quantities stored, used and disposed of in accordance with all applicable Environmental Laws. As used herein, "Hazardous Materials" means any chemical, substance, material, controlled substance, object, condition, waste, living organism or combination thereof, whether solid, semi solid, liquid or gaseous, which is or may be hazardous to human health or safety or to the environment due to its radioactivity, ignitability, corrosivity, reactivity, explosivity, toxicity, carcinogenicity, mutagenicity, phytotoxicity, infectiousness or other harmful or potentially harmful properties or effects, including, without limitation, molds, toxic levels of bacteria, tobacco smoke within the Premises; petroleum and petroleum products, asbestos, radon, polychlorinated biphenyls (PCBs), refrigerants (including those substances defined in the Environmental Protection Agency's "Refrigerant Recycling Rule," as amended from time to time) and all of those chemicals, substances, materials, controlled substances, objects, conditions, wastes, living organisms or combinations thereof which are now or become in the future listed, defined or regulated in any manner by any Environmental Law based upon, directly or indirectly, such properties or effects. As used herein, "Environmental Laws" means any and all federal, state or local environmental, health and/or safety-related laws, regulations, standards, decisions of courts, ordinances, rules, codes, orders, decrees, directives, guidelines, permits or permit conditions, currently existing and as amended, enacted, issued or adopted in the future which are or become applicable to Tenant, the Premises, the Building or the Common Areas.

(b) Indemnities. Landlord agrees to indemnify, defend and save Tenant, its agents, officers elected and appointed officials, Special Districts and employees from or against all liability, expenses (including reasonable defense costs, reasonable legal fees, and response costs imposed by law) and claims for damages of any nature whatsoever which arise out of the presence of Hazardous Materials on the Premises in violation applicable law which has been caused by Landlord and/or its agents, officers or employees. The foregoing indemnity shall include, without limitation, the cost of any required or necessary repair, clean-up or detoxification, and the preparation and implementation of any closure, monitoring or other required plans, as such is required by local or state laws or any governmental agency. Tenant agrees to indemnify, defend and save harmless Landlord from and against all liability, expenses (including reasonable defense costs, reasonable legal fees and response costs imposed by law) and claims for damages of any nature whatsoever which arise out of the presence of Hazardous Materials on the Premises in violation of applicable law caused by Tenant, its employees, agents or invitees, and Tenant shall immediately and properly clean-up and remove such Hazardous Materials and other infected property in accordance with all Environmental Laws and at Tenant's expense. Except in emergencies, such clean-up and remedial work will be subject to Landlord's prior written approval and directions. The indemnity provided each party by this provision shall survive the termination of this Lease.

(c) Landlord and Tenant agree to immediately notify each other when either party learns that Hazardous Materials have been released on the Premises or on the Project as required by and in accordance with applicable laws.

(d) Landlord hereby agrees that, to the extent that asbestos containing material is discovered by Tenant in the Premises, following notice thereof, Landlord shall, at its sole cost and expense, abate the same in accordance with applicable laws and Landlord's standard operations and maintenance plan. If Landlord has knowledge of the presence of asbestos containing materials within the Building, Landlord shall so inform Tenant as required by and in accordance with applicable laws.

22. ESTOPPEL CERTIFICATES. Tenant shall, within 15 days after written request of Landlord, execute, acknowledge and deliver to Landlord or its designee a written statement in the form of Exhibit D, attached hereto, (properly completed) but shall have no other obligation to deliver any other form of estoppel certificate. It is intended that any such statement delivered pursuant to this Section may be relied upon by a prospective purchaser of Landlord's interest or holder of any mortgage upon Landlord's interest in the Premises.

23. TENANT IMPROVEMENTS. Landlord shall construct the Tenant Improvements in the manner set forth in this paragraph.

(a) Improvements. Tenant acknowledges and agrees that Tenant is currently in occupancy of the Premises, and, accordingly, except as specifically set forth in this Lease, Landlord shall not be obligated to provide or pay for any improvement work or services related to the improvement of the Premises. Notwithstanding the foregoing, Tenant shall be entitled to a one-time allowance for the purchase and installation of paint, carpet and other cosmetic changes to the Premises (collectively, the "Improvements") in an amount equal to \$526,860.00 (i.e. \$6.00 per rentable square foot of the Premises) (the "Tenant Improvement Allowance"). Any costs incurred or to be incurred in connection with the Improvements which are in excess of the Tenant Improvement Allowance shall be paid for by Tenant within 30 days following written demand by Landlord. The construction of the Improvements shall be performed by Landlord pursuant to Tenant's plans as approved by Landlord. In connection therewith, Tenant shall select a space planner for the design of the Improvements, if required, from the Chief Administrative Office-Real Estate Division, and shall submit Tenant's design of the proposed Improvements to Landlord for its approval as soon as reasonably possible following the full execution and delivery of this Lease. Landlord shall purchase and construct or install the approved Improvements on Tenant's behalf. Tenant hereby acknowledges and agrees that Tenant shall be in occupancy of the Premises during Landlord's construction of the Improvements, and, in connection therewith, notwithstanding the provisions of Section 12 (i) Tenant shall cooperate with all reasonable Landlord requests required in order to facilitate the prompt and efficient completion of the Improvements, (ii) Tenant hereby agrees that Landlord shall be permitted to complete the Improvements during Normal Working Hours (and Tenant shall provide a clear working area for the construction of the Improvements), or after Normal Working Hours per mutual agreement (but at no increased cost to Landlord), and (iii) Tenant hereby agrees that the construction of the Improvements shall in no way constitute a constructive eviction of Tenant nor entitle Tenant to any abatement of rent, nor shall Landlord be liable for compensation or damages of any kind as a result of or in connection with Landlord's completion of the Improvements. Tenant shall be charged a supervision fee in connection with Landlord's construction of the Improvements in an amount equal to three percent (3%) of the total costs of the design and construction of the Improvements. Any costs due from Tenant pursuant to the preceding sentence shall be deducted from the Allowance, provided that to the extent the then remaining

Allowance is insufficient, Tenant shall pay such amounts to Landlord within 30 days following written demand therefor.

(b) Unused Allowance. In the event that all or a portion of the Tenant Improvement Allowance is not utilized for Improvements, then upon notice from Tenant to Landlord which notice shall be delivered by Tenant to Landlord on or before November 15, 2006 (the "Outside Date"), Tenant shall be entitled to (i) utilize such unused portion for the costs incurred by Tenant for design and space planning costs related to the Improvements and/or the purchase and installation of equipment, trade fixtures, signage (to the extent permitted under the Lease, as amended hereby) and built-in and movable furniture for the Premises, and/or (ii) a check from Landlord payable to Tenant in the amount of the unutilized Tenant Improvement Allowance (provided that in no event shall Landlord issue a check payable to Tenant pursuant to the terms hereof in an amount in excess of \$200,000.00). Any portion of the Tenant Improvement Allowance not utilized by Tenant for Improvements, or costs as set forth under item (i), above, or paid by check to Tenant under item (ii), above, in any such event on or before the Outside Date, shall revert to and become the sole property of Landlord, and Tenant shall have no further rights thereto.

(c) Tenant's plans shall be submitted to general contractors selected by Landlord and approved by Tenant, in Tenant's reasonable discretion, so that at least 3 bids are received. Each approved contractor bidding on Tenant's plans shall be requested to submit a sealed fixed price contract bid price (on such form as Landlord shall designate) to construct the Improvements as set forth on Tenant's plans as approved by Landlord. Landlord and Tenant shall jointly open and review the bids. Landlord and Tenant, after adjustment for inconsistent assumptions, shall select the low bidder ("Contractor"), and Landlord shall enter into a contract with Contractor acceptable to Landlord upon the economic terms set forth in such Contractor's bid (the "Improvement Contract").

(d) The subcontractors and materialmen retained by Contractor shall be reasonably competitively priced.

(e) As soon as reasonably practical after approval of Tenant's plans, receipt of bids, execution of contracts, receipt of necessary permits and completion of all other matters reasonably necessary to commence and complete construction of the Improvements, Landlord shall cause construction of the Improvements to commence and shall use commercially reasonable efforts to have the same diligently prosecuted to completion, subject to events of Force Majeure, as set forth in Section 29(m) of this Lease.

24. LIENS. Tenant shall keep the Premises and Building free from any liens arising out of any work performed or materials ordered or obligations incurred by Tenant, and hereby indemnifies and holds Landlord harmless from any liability or loss from any such lien.

25. SUBORDINATION AND MORTGAGES.

(a) Subordination and Non-Disturbance. Tenant agrees, at Landlord's option, to subordinate this Lease to the lien of any mortgages or deeds of trust now or hereafter in force against the Building; provided, however, Tenant's obligation to subordinate this Lease is expressly conditioned upon Tenant receiving a commercially reasonable non-disturbance agreement

and provided further that no such subordination shall affect any option to extend the Term of this Lease, right of first offer to lease additional premises, option to purchase or right of first offer to purchase the Property which may be included herein.

(b) Request for Notice. Landlord acknowledges that Tenant intends to record a Request for Notice with respect to any mortgages or deeds of trust affecting the Property in the form of attached hereto as Exhibit H.

(c) Notice of Default. If any mortgagee or beneficiary under a deed of trust affecting the Property gives written notice of its name and address to Tenant by registered mail requesting any such notice with reference to this Section 25(c), Tenant agrees to give such mortgagee a copy of any notice of Default served upon Landlord hereunder which could permit Tenant to terminate this Lease and an additional 10 days within which to cure such Default.

26. SURRENDER OF POSSESSION. Subject to casualty, at the expiration of the Term of this Lease, whether by lapse of time or otherwise, Tenant shall promptly and peacefully surrender the Premises to Landlord in a "broom-clean" condition. Tenant shall remove, at its own expense, all fixtures, equipment and all other personal property placed or installed in or upon the Premises by Tenant, or under its authority (including any modular furniture).

27. SIGNAGE. Tenant shall be permitted to install, at Tenant's sole cost and expense, Building standard premises identification signage.

28. QUIET ENJOYMENT. So long as Tenant is not in default hereunder, Tenant shall have the right to the quiet and peaceful enjoyment and possession of the Premises during the Term of this Lease, subject to the terms and conditions of this Lease.

29. GENERAL.

(a) Headings. Titles to Sections of this Lease are not a part of this Lease and shall have no effect upon the construction or interpretation of any part hereof.

(b) Successors and Assigns. All of the covenants, agreements, terms and conditions contained in this Lease shall inure to and be binding upon the Landlord and Tenant and their respective successors and assigns.

(c) Brokers. Landlord and Tenant each represent and warrant to each other that it has not engaged any broker, finder or other person other than Trammell Crow Company (the "Broker") and that they know of no other real estate broker or agent who would be entitled to any commission or fees in respect of the negotiation, execution or delivery of this Lease other than as disclosed to the other in writing and shall indemnify and hold harmless each other against any loss, cost, liability or expense incurred by the other party as a result of any claim asserted by any such broker, finder or other person on the basis of any arrangements or agreements made or alleged to have been made in variance with this representation.

(d) Entire Agreement; Existing Leases. This Lease is the final and complete expression of Landlord and Tenant relating in any manner to the leasing, use and occupancy of the Premises, to Tenant's use of the Building and other matters set forth in this Lease.

No prior agreements or understanding pertaining to the same, except for the "Existing Leases", as that term is defined, below, shall be valid or of any force or effect and the covenants and agreements of this Lease shall not be altered, modified or added to except in writing signed by both Landlord and Tenant. Landlord and Tenant hereby acknowledge and agree that the Existing Leases shall terminate as of the date immediately preceding the Commencement Date and that the parties shall be relieved of all obligations thereunder as of such date, except (a) those obligations which arise from circumstances, incidents, occurrences or events during the term of the Existing Leases, and/or (b) with respect to operating costs or other amounts due and payable by either party to the other under the Existing Leases that relate to the term of the Existing Leases. For purposes of this Lease, the "Existing Leases" shall mean, collectively, (i) that certain County of Los Angeles Internal Services Department Lease and Agreement, dated July 3rd, 1995, as amended, (ii) that certain County of Los Angeles Chief Administrative Office Lease and Agreement, dated April 18, 2005, and (iii) that certain County of Los Angeles Chief Administrative Office Lease and Agreement, dated September 8, 2004.

(e) Severability. Any provision of this Lease which shall prove to be invalid, void or illegal shall in no way affect, impair or invalidate any other provision hereof and the remaining provisions hereof shall nevertheless remain in full force and effect.

(f) Notices. All notices and communications to any party hereunder shall be in writing and shall be deemed properly given if delivered personally, sent by registered or certified mail, postage prepaid, or by a recognized overnight commercial messenger providing proof of delivery, facsimile (electronically confirmed) to Landlord's Address for Notice and Tenant's Address for Notice as set forth in Section 1. Any notice so given shall be deemed to have been given as of the date of delivery (whether accepted or refused) established by U.S. Post Office return receipt or the overnight carrier's proof of delivery, as the case may be. Any such notice not so given shall be deemed given upon receipt of the same by the party to whom the same is to be given.

(g) Governing Law and Forum. This Lease shall be governed by and construed in accordance with the internal laws of the State of California. Any litigation with respect to this Lease shall be conducted in the County of Los Angeles, State of California.

(h) Waivers. No waiver by Landlord or Tenant of any provision hereof shall be deemed a waiver of any other provision hereof or of any subsequent breach by Landlord or Tenant of the same or any other provision. Landlord's or Tenant's consent to or approval of any act shall not be deemed to render unnecessary the obtaining of Landlord's or Tenant's consent to or approval of any subsequent act by Landlord or Tenant.

(i) Time of Essence. Time is of the essence for the performance of all of the obligations specified hereunder.

(j) Consent. Except as may be otherwise specifically set forth in this Lease, whenever any consent is required by Landlord or Tenant hereunder, such consent shall not be unreasonably withheld, conditioned or delayed and, unless otherwise specifically provided herein, shall be deemed granted if not refused within 10 business days after written request is made therefore, together with all information required hereunder, if any.

(k) Community Business Enterprises. Landlord shall complete and deliver to Tenant concurrently with the execution hereof a Community Business Enterprises form set forth attached hereto as Exhibit F.

(l) Memorandum of Lease. If requested by Tenant, Landlord and Tenant shall execute and acknowledge a Memorandum of Lease in the form attached hereto as Exhibit G, which Memorandum may be recorded by Tenant, without cost to Landlord, in the Official Records of Los Angeles County.

(m) Force Majeure. In the event that either party is delayed or hindered from the performance of any act required hereunder, other than the payment of money, by reason of strikes, lock-outs, labor troubles, inability to procure materials not related to the price thereof, failure of power, restrictive governmental laws and regulations, riots, insurrection, war or other reasons of a like nature beyond the control of such party, then performance of such acts shall be excused for the period of the delay, and the period for the performance of any such act shall be extended for a period equivalent to the period of such delay.

(n) Landlord Exculpation. The liability of Landlord to Tenant for any default by Landlord under this Lease or arising in connection herewith or with Landlord's operation, management, leasing, repair, renovation, alteration or any other matter relating to the Project, the Building or the Premises shall be limited solely and exclusively to the interest of Landlord in the Building. Further, notwithstanding any contrary provision herein, Landlord shall not be liable under any circumstances for injury or damage to, or interference with, Tenant's business, including but not limited to, loss of profits, loss of rents or other revenues, loss of business opportunity, or loss of goodwill, in each case, however occurring.

30. AUTHORITY. Only the Board of Supervisors has the authority, by formally approving and/or executing this Lease, to bind the County to the terms included herein. Each individual executing this Lease on behalf of Tenant represents and warrants that he or she is duly authorized to execute and deliver this Lease on behalf of Tenant, and that this Lease is binding upon Tenant in accordance with its terms. Landlord understands that no material term of this Lease may be altered or deleted, nor may any new material terms be added to this Lease, without the express written approval of the Board of Supervisors, either through an amendment to the Lease or by other formal board action. No County officer, employee, agent or independent contractor has any authority to alter, add or delete the material terms of this Lease and Landlord may not rely upon any representations to the contrary. This limitation of authority applies to all material terms of the Lease including, without limitation, any monetary ceiling established for Tenant Improvements or other project costs of Landlord which are subject to reimbursement by County. County shall not reimburse Landlord for any expenses which exceed this ceiling. Notwithstanding the foregoing, the Chief Administrative Officer of the County or its delegee (the "Chief Administrative Officer") may take any administrative act on behalf of Tenant hereunder which does not have the effect of increasing Basic Rent or other financial obligations of Tenant under this Lease, including without limitation, granting any approvals, terminating this Lease in the manner provided herein by an Early Termination Notice or otherwise, signing estoppel certificates, signing the Commencement Date Memorandum and Confirmation of Lease Terms or subordinating this Lease. Each individual executing this Lease on behalf of Landlord represents and warrants that he or she is duly authorized

to execute and deliver this Lease on behalf of Landlord, and that this Lease is binding upon Landlord in accordance with its terms.

31. ACKNOWLEDGEMENT BY LANDLORD. Landlord acknowledges that it is aware of the following provisions:

(a) Solicitation of Consideration. It is improper for any County officer, employee or agent to solicit consideration in any form from a landlord with the implication, suggestion or statement that the landlord's provision of the consideration may secure more favorable treatment for the landlord in the award of the Lease or that landlord's failure to provide such consideration may negatively affect the County's consideration of the landlord's offer to lease. A landlord shall not offer or give, either directly or through an intermediary, consideration in any form to a County officer, employee or agent for the purpose of securing favorable treatment with respect to the award of the Lease.

Landlord shall immediately report any attempt by a County officer, employee or agent to solicit such improper consideration. The report shall be made either to the County manager charged with the supervision of the employee or to the County Auditor Controller's Employee Fraud Hotline at (213) 974-0914 or (800) 544-6861.

(b) Transfer of Landlord's Interest. Tenant acknowledges that Landlord has the right to transfer all or any portion of its interest in the Building or the project of which the Building is a part and in this Lease, and Tenant agrees that in the event of any such transfer, Landlord shall automatically be released from all liability under this Lease accruing after the date of transfer and Tenant agrees to look solely to such transferee for the performance of Landlord's obligations hereunder after the date of transfer and such transferee shall be deemed to have fully assumed and be liable for all obligations of this Lease to be performed by Landlord, and Tenant shall attorn to such transferee.

(c) Sale of Fractionalized Interests. Landlord hereby acknowledges and agrees that Landlord is aware of, and shall comply with, California Government Code Sections 5950 – 5955 (a copy of which is attached hereto as Exhibit I), as the same may be amended or modified from time to time.

32. NON-DISCRIMINATION. Tenant covenants by and for itself, and for its heirs, executors, administrators and assigns, and all persons claiming under or through them, to comply with, and this Lease is made and accepted upon and subject to, the conditions that there shall be no discrimination against or segregation of any person or group of persons, on account of sex, marital status, race, color, creed, religion, national origin, or ancestry, in the leasing, subleasing, licensing, transferring, use, occupancy, tenure, or enjoyment of the Premises leased under this Lease, nor shall Tenant, itself, or any person claiming under or through Tenant establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy, of Tenant, Tenants, sublessees, subtenants, licensees, or vendees of the Premises leased under this Lease.

IN WITNESS WHEREOF this Lease has been executed the day and year first above set forth.

LANDLORD:

201 NORTH FIGUEROA PROPERTY LLC,
a Delaware limited liability company

By: Beacon Capital Strategic Partners III, L.P.,
a Delaware limited partnership,
its sole member

By: BCP Strategic Partners III, LLC,
a Delaware limited liability company,
its general partner

By: Beacon Capital Partners, LLC,
a Delaware limited company,
its manager

By: Jeremy B. Fletcher
Jeremy B. Fletcher
Its Senior Managing
Director

TENANT:

COUNTY OF LOS ANGELES

By: _____
Mayor, Los Angeles County

ATTEST:

Joanne Sturges
Acting Executive Officer-Clerk
of the Board of Supervisors

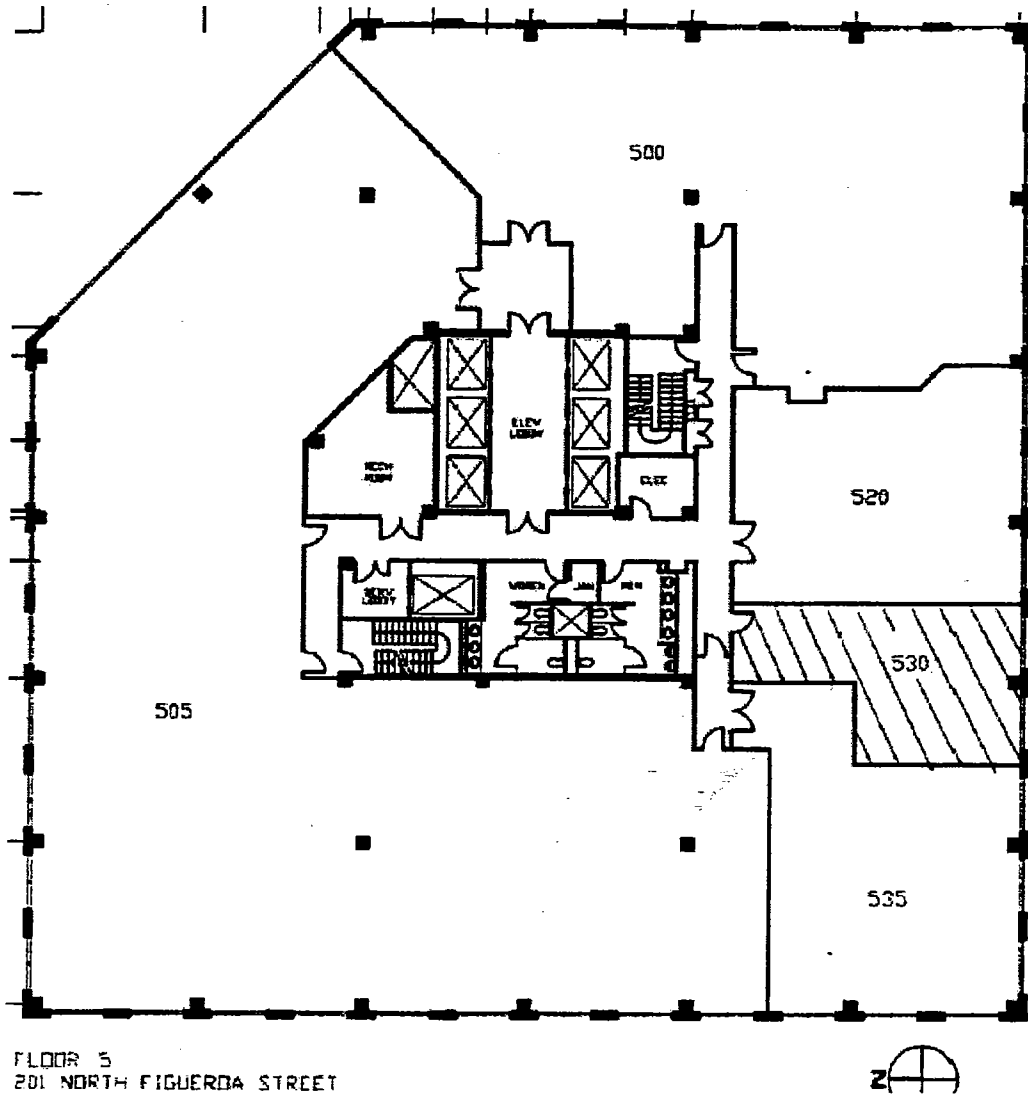
By: _____
Deputy

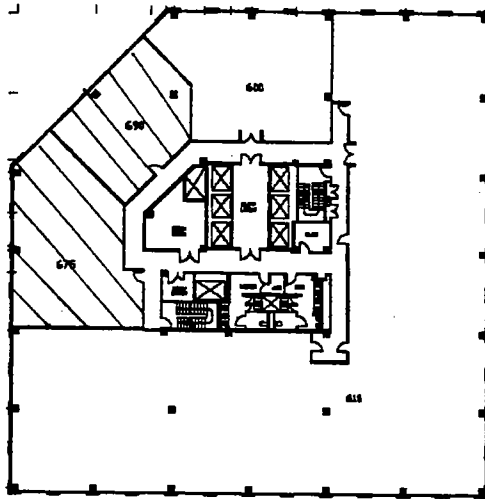
APPROVED AS TO FORM:
Raymond G. Fortner, Jr.
County Counsel

By: Kathleen D. Felice
Deputy: Kathleen D. Felice

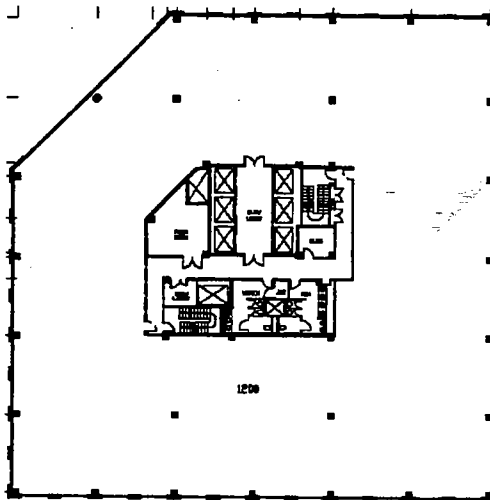
EXHIBIT A

FLOOR PLAN OF PREMISES



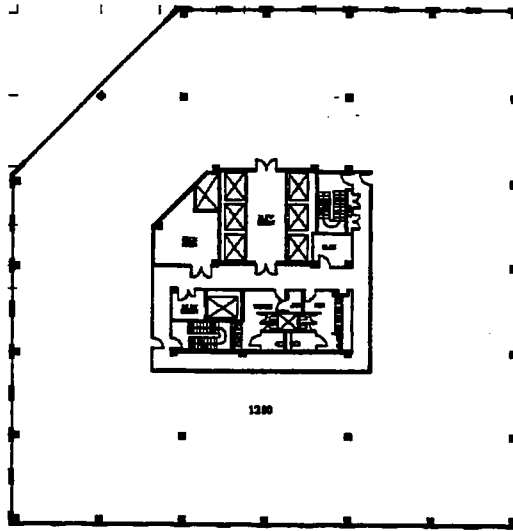


FLOOR 6
200 NORTH FLORIDA STREET

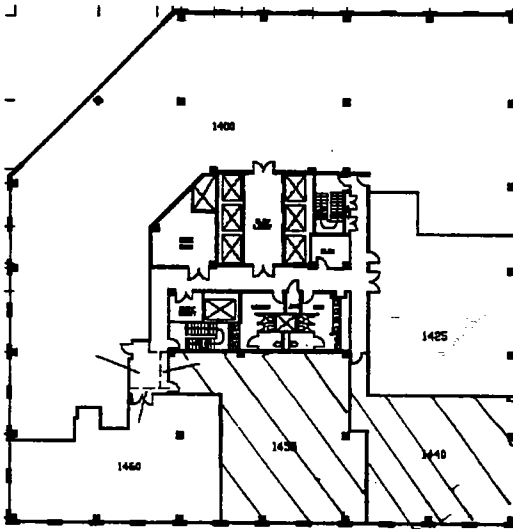


FLOOR 12
200 NORTH FLORIDA STREET





FLOOR 13
201 NORTH FIGUEROA STREET



FLOOR 14
201 NORTH FIGUEROA STREET



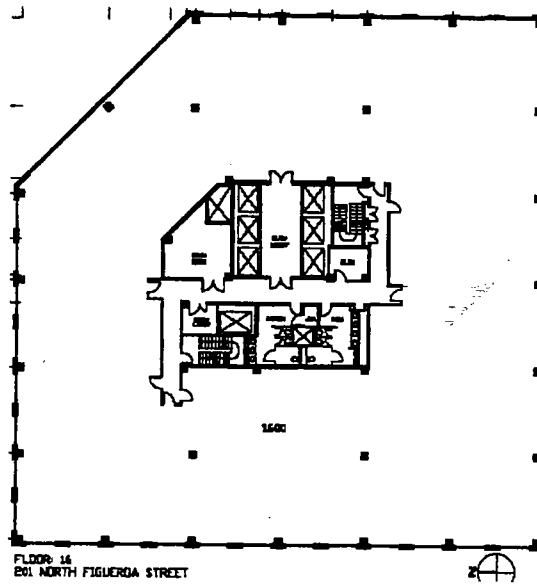
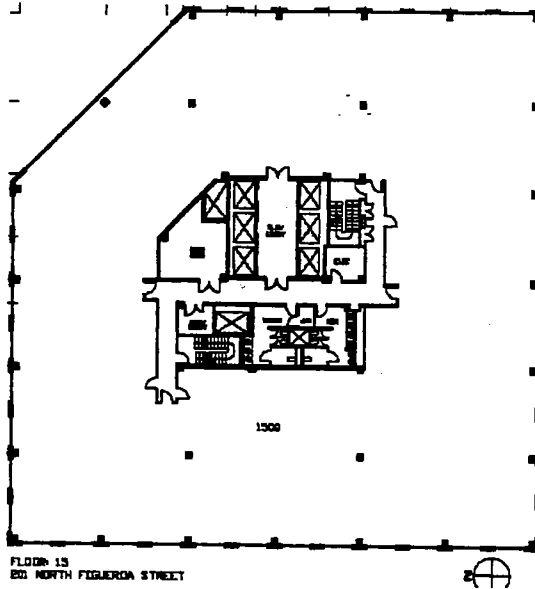


EXHIBIT B

LEGAL DESCRIPTION OF PROJECT

PARCEL 1:

LOTS 1 AND 4 OF TRACT MAP NO. 51742, IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA AS PER MAP RECORDED IN BOOK 1210, PAGES 14 THROUGH 17 INCLUSIVE OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

PARCEL 2:

LOTS 2 AND 3 OF TRACT MAP NO. 51742, AS PER MAP RECORDED IN BOOK 1210, PAGES 14 THROUGH 17 INCLUSIVE OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXHIBIT C

COMMENCEMENT DATE MEMORANDUM
AND CONFIRMATION OF LEASE TERMS

Reference is made to that certain lease ("Lease") dated _____, 200_, between County of Los Angeles, a body politic and corporate ("Tenant"), and 201 NORTH FIGUEROA PROPERTY LLC, a Delaware limited liability company ("Landlord"), whereby Landlord leased to Tenant and Tenant leased from Landlord certain premises in the building located at 201 North Figueroa Street, Los Angeles, CA ("Premises"),

Landlord and Tenant hereby acknowledge as follows:

- (1) Tenant occupies the Premises;
- (2) The Lease commenced on _____ ("Commencement Date");
- (3) The Premises contain 87,810 rentable square feet of space; and
- (4) Initial Basic Rent per month is \$180,010.50.

IN WITNESS WHEREOF, this Memorandum is executed this ____ day of _____, 200_.

"Tenant"

COUNTY OF LOS ANGELES,
a body politic and corporate

By: _____
Name: _____
Its: _____

"Landlord"

201 NORTH FIGUEROA PROPERTY LLC,
a Delaware limited liability company

By: Beacon Capital Strategic Partners III, L.P.,
a Delaware limited partnership,
its sole member

By: BCP Strategic Partners III, LLC,
a Delaware limited liability company,
its general partner

By: Beacon Capital Partners, LLC,
a Delaware limited company,
its manager

By: _____
Jeremy B. Fletcher
Its Senior Managing
Director

EXHIBIT D

FORM OF TENANT ESTOPPEL CERTIFICATE

To: [Insert name of party to rely on document]

Attn: _____

Re:	Date of Certificate:	_____
	Lease Dated:	_____
	Current Landlord:	_____
	Located at:	_____
	Premises:	_____
	Commencement Date of Term:	_____
	Expiration Date:	_____
	Current Rent:	_____

County of Los Angeles ("Tenant") hereby certifies that as of the date hereof:

1. Tenant is the present owner and holder of the tenant's interest under the lease described above, as it may be amended to date (the "Lease"). The Lease covers the premises described above (the "Premises") in the building (the "Building") at the address set forth above.

2. (a) A true, correct and complete copy of the Lease (including all modifications, amendments, supplements, side letters, addenda and riders of and to it) is attached to this Certificate as Exhibit A.

(b) The current Rent is set forth above. Rent has been paid through _____.

(c) The term of the Lease commenced on the Commencement Date set forth above and will expire on the Expiration Date set forth above, including any presently exercised option or renewal term. Tenant has no option or right to renew, extend or cancel the Lease, or to lease additional space in the Premises or Building, or to use any parking, other than that specified in the Lease.

(d) Except as specified in the Lease, Tenant has no option or preferential right to purchase all or any part of the Premises (or the land of which the Premises are a part).

(e) Tenant has made no agreement with Landlord or any agent, representative or employee of Landlord concerning free rent, partial rent, rebate of rental payments or any other similar rent concession, except as expressly set forth in the Lease.

(f) There is no security deposit under the Lease.

3. (a) The Lease constitutes the entire agreement between Tenant and Landlord with respect to the Premises, has not been modified changed, altered or amended and is in full force and effect. There are no other agreements, written or oral, which affect Tenant's occupancy of the Premises.

(b) Tenant has not given Landlord written notice of a default under the Lease which has not been cured.

(c) The interest of Tenant in the Lease has not been assigned or encumbered. Tenant has not entered into any sublease, except as follows: _____. Tenant is not entitled to any credit against any rent or other charge or rent concession under the Lease except as set forth in the Lease. No rental payments have been made more than one month in advance.

4. All contributions required to be paid by Landlord to date for improvements to the Premises have been paid in full and all of Landlord's obligations with respect to tenant improvements have been fully performed.

IN WITNESS WHEREOF, the Tenant has executed this Tenant Estoppel Certificate as of the day set forth above.

COUNTY OF LOS ANGELES

By: _____
Name: _____
Title: _____

EXHIBIT E

CLEANING AND MAINTENANCE SCHEDULE

This list reflects the various cleaning and maintenance requirements for the leased office space. Responsibility for this cleaning and maintenance service belongs to the Landlord.

Daily (Monday through Friday)

1. Carpets vacuumed
2. Composition floors dust-mopped
3. Desks, desk accessories and office furniture dusted. Papers and folders left on desks not to be moved.
4. Waste baskets, other trash receptacles emptied.
5. Chairs and waste baskets returned to proper position.
6. Fingerprints removed from glass doors and partitions.
7. Drinking fountains cleaned, sanitized and polished.
8. Lavatories, toilets and toilet rooms cleaned and mopped. Toilet supplies replenished.
9. Bulb and tube replacements, as required.
10. Graffiti expunged as needed within two (2) working days after notice by Lessee.
11. Floors washed as needed.

Weekly

1. Low-reach areas, chair rungs, baseboards and insides of door-jambs dusted.
2. Window sills, ledges and wood paneling and molding dusted.

Monthly

1. Floors washed and waxed in uncarpeted office area.
2. High-reach areas, door frames and tops of partitions dusted.
3. Upholstered furniture vacuumed, plastic and leather furniture wiped.
4. Picture moldings and frames dusted.
5. Wall vents and ceiling vents vacuumed.

Quarterly

1. Light fixtures cleaned and dusted.
2. Wood furniture polished.
3. Draperies or mini blinds cleaned as required, but not less frequently than Quarterly.

Semi-Annually

1. Windows washed as required inside and outside but not less frequently than twice annually.

Annually

1. Carpets cleaned.

As Needed

1. The sidewalks, driveways, parking areas and all means of access and egress for the demised Premises should be maintained in good repair, clean and safe condition at all times.

2. All lawns, shrubbery and foliage on the grounds of the Building should be maintained in good condition and neat in appearance. Grass and shrubbery must be replanted as needed to maintain the grounds in good appearance and condition.

EXHIBIT F

COMMUNITY BUSINESS ENTERPRISES FORM

INSTRUCTIONS: All Landlords shall submit this form on an annual basis on or before December 30th of each year of the term of this agreement as evidence of MBE/WBE participation. The information requested below is for statistical purposes only. On final analysis and consideration of lease will be selected without regard to gender, race, creed, or color. Categories listed below are based on those described in 49 CFR Section 23.5.

I. MINORITY/WOMEN PARTICIPATION IN FIRM (Partners, Associates Partners, Managers, Staff, etc.)

FIRM: NAME

 ADDRESS

 CONTACT

 TELEPHONE NO.

TOTAL NUMBER OF EMPLOYEES IN FIRM: _____

	OWNERS/PARTNERS ASSOCIATE PARTNERS	MANAGERS	STAFF
Black/African American	_____	_____	_____
Hispanic/Latin America	_____	_____	_____
Asian American	_____	_____	_____
Portuguese American	_____	_____	_____
American Indian/ Alaskan Native	_____	_____	_____
All Others	_____	_____	_____
Women (Should be included in counts above and also reported here separately)	_____	_____	_____

II. PERCENTAGE OF MINORITY/WOMEN OWNERSHIP IN FIRM

TYPE OF BUSINESS STRUCTURE: _____

____ (Corporation, Partnership, Sole Proprietorship, etc.)

TOTAL NUMBER OF OWNERSHIP/PARTNERS, ETC.: _____

PERCENTAGE OF OWNERSHIP

Black/African American _____

Hispanic/Latin American _____

Asian American _____

Portuguese American _____

American Indian/ _____

Alaskan Native _____

All Others _____

Women _____

(Should be included in counts
above and also reported
here separately)

III. CURRENT CERTIFICATION AS MINORITY/WOMEN-OWNED FIRM

IS YOUR FIRM CURRENTLY CERTIFIED AS A MINORITY OWNED BUSINESS
FIRM BY THE:

State of California? Yes ☒ No

City of Los Angeles? Yes ☒ No

Federal Government? Yes ☒ No

IV. FIRM'S DESIRE NOT TO RESPOND TO INFORMATION

WE DO NOT WISH TO PROVIDE THE INFORMATION REQUIRED IN THIS FORM.

Firm Name: 201 North Figueroa Property LLC

Signed: Jeremy B. Fletcher

Date: April 10, 2006

Title: Senior Managing Director

EXHIBIT G

MEMORANDUM OF LEASE

**RECORDING REQUESTED BY AND
WHEN RECORDED MAIL TO:**

County of Los Angeles
Chief Administrative Office
Real Estate Division
222 South Hill Street
3rd Floor
Los Angeles, California 90012
Attention: Director of Real Estate

This document is recorded for the benefit of the County of Los Angeles and recording is exempt from recording fees pursuant to California Government Code Section 27383. This transaction is exempt from documentary transfer tax pursuant to California Revenue and Taxation Code Section 11922.

MEMORANDUM OF LEASE

This Memorandum of Lease ("Memorandum") is made and entered into by and between _____ (the "Landlord"), and the COUNTY OF LOS ANGELES, a public body corporate and politic duly organized and existing under the laws of the State of California (the "Tenant") who agree as follows:

Landlord and Tenant hereby enter a Lease of certain property (the "Lease") in the County of Los Angeles, State of California, described in Exhibit A attached hereto and incorporated herein by reference, for a term commencing on _____, 20____, and ending on a date _____ () years after the commencement date, unless such term is extended or sooner terminated pursuant to the terms and conditions set forth in a certain unrecorded Lease between Landlord and Tenant dated _____, 200__.

[Tenant has the option to extend the term of the Lease for a period of ____ () years, subject to the terms and conditions of the Lease.]

This Memorandum has been prepared for the purpose of giving notice of the Lease and of its terms, covenants, and conditions, and for no other purposes. The provisions of this Memorandum shall not in any way change or affect the provisions of the Lease, the terms of which remain in full force and effect. In the event of any conflict between the terms of this Memorandum and the terms of the Lease, the terms of the Lease shall prevail.

Dated: _____, 20____.

LANDLORD:

By: _____

Its: _____

TENANT:

By: _____

Its: _____

EXHIBIT H

REQUEST FOR NOTICE

**RECORDING REQUESTED BY
AND WHEN RECORDED MAIL TO:**

County of Los Angeles
Chief Administrative Office
Real Estate Division
222 South Hill Street
3rd Floor
Los Angeles, California 90012
Attention: Director of Real Estate

REQUEST FOR NOTICE

(UNDER SECTION 2924B CIVIL CODE)

In accordance with Section 2924b, Civil Code, request is hereby made that a copy of any Notice of Default and a copy of any Notice of Sale under the Deed of Trust described below:

Date of Recording of Deed of Trust

Instrument Number of Deed of Trust

Trustor

Trustee

Beneficiary

COUNTY OF _____ ss.

On this ____ day of _____, 20__, before me, _____ a Notary Public in and for the State of California, personally appeared _____ personally known to me (or proved on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal

Signature _____

My commission expires _____.

be mailed to County of Los Angeles, Chief Administrative Office, Real Estate Division, 222 South Hill Street, 3rd Floor, Los Angeles, California 90012, Attention: Director of Real Estate.

"LENDER:

_____,
a _____

By: _____
SIGNEE'S NAME

Its: _____
SIGNEE'S TITLE

(ALL SIGNATURES MUST BE ACKNOWLEDGED)

EXHIBIT I

CALIFORNIA GOVERNMENT CODE §§ 5950-5955

§ 5923

PUBLIC BONDS AND OBLIGATIONS Title 1

(b) This chapter shall be liberally construed to effect its purpose.
(Added by Stats.1987, c. 846, § 1.)

§ 5924. Obligations of state in connection with credit enhancements or liquidity agreements; continuous appropriation of necessary amounts

Notwithstanding Section 13340, there is hereby continuously appropriated without regard to fiscal years, from the General Fund in the State Treasury for the purpose of this chapter, an amount that will equal the sum annually as will be necessary to pay all obligations, including principal, interest, fees, costs, indemnities, and all other amounts, incurred by the state under or in connection with any credit enhancement or liquidity agreement (including in the form of a letter of credit, standby purchase agreement, reimbursement agreement, liquidity facility, or other similar arrangement) entered into by the state pursuant to this chapter.

(Added by Stats.1994, c. 136 (S.B.2123), § 1, eff. July 5, 1994.)

Chapter 13

FRACTIONAL INTEREST IN LOCAL AGENCY OBLIGATIONS

Section

5950. Definitions.

5951. Offer or sale of security without prior consent of local agency; prohibition; exemptions.

5952. Evidence of local agency consent.

5953. Local agency obligation to review proceedings relating to creation of security or offering or placement materials.

5954. Punishment.

5955. Qualification of offer or sale of security under corporate securities law; necessity.

Chapter 13 was added by Stats.1994, c. 972 (A.B.3073), § 3, eff. Sept. 29, 1994.

§ 5950. Definitions

As used in this chapter:

(a) "Accredited investor" has the meaning specified in Rule 501 of the Securities Act of 1933.

(b) "In this state" has the meaning specified in Section 25008 of the Corporations Code.

(c) "Issuer" has the meaning specified in Section 25010 of the Corporations Code.

(d) "Issuer transaction" means any transaction directly or indirectly for the benefit of the issuer. A transaction is indirectly for the benefit of the issuer if any portion of the purchase price of any security constituting a fractional interest in a lease, installment sale, or other obligation of a local agency

OBLIGATIONS
Title 1

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FRACTIONAL INTERESTS

Div. 6

§ 5951

involved in the transaction will be received indirectly by the issuer. An offer or sale that involves both an issuer transaction and a transaction that is not an issuer transaction shall be treated as separate transactions.

(e) "Knowingly" means that a person, with respect to an offer or sale of a security constituting a fractional interest in a lease, installment sale, or other obligation of a local agency, does any of the following:

(1) Has actual knowledge that the local agency has not consented to the offer or sale of such security.

(2) Acts in deliberate ignorance of whether or not the local agency has consented to the offer or sale of that security.

(3) Acts in reckless disregard of whether or not the local agency has consented to the offer or sale of that security.

(f) Proof of specific intent to violate Section 5951 is not required.

(f) "Local agency" means a city, county, city and county, school district, special district, public corporation, or other public entity of this state.

(g) "Person" has the meaning specified in Section 25013 of the Corporations Code.

(h) "Qualified institutional buyer" has the meaning specified in Rule 144A of the Securities Act of 1933.

(i) "Sale," "sell," "offer," and "offer to sell" have the respective meanings specified in Section 25017 of the Corporations Code.

(j) "Security" has the meaning specified in Section 25019 of the Corporations Code.

(k) "Securities Act of 1933" and "Investment Company Act of 1940" means the federal statutes of those names as amended before or after the effective date of this chapter.

(Added by Stats.1994, c. 972 (A.B.3073), § 3, eff. Sept. 29, 1994.)

§ 5951. Offer or sale of security without prior consent of local agency; prohibition; exemptions

It is unlawful for any person to offer or sell in an issuer transaction in this state, or otherwise knowingly to offer or sell in this state, any security constituting a fractional interest in a lease, installment sale, or other obligation of a local agency without obtaining the prior written consent of that local agency to that offer or sale. However, this section shall not apply to any of the following:

(a) Any security that constitutes a fractional interest in a lease, installment sale, or other obligation of a local agency and that was first issued and sold prior to October 2, 1993.

(b) Offers or sales of shares or interests in any registered unit investment trust or management company, each as defined in the Investment Company Act of 1940.

(c) Any security that constitutes a fractional interest in a lease, installment sale, or other obligation of a local agency and that is registered under the Securities Act of 1933.

§ 5951

PUBLIC BONDS AND OBLIGATIONS

Title 1

(d) Offers or sales of any security described in this section subsequent to an offer or sale of that security in compliance with this section.

(e) Offers or sales of participation interests between financial institutions.

(f) Any security that constitutes a fractional interest in a lease, installment sale, or other obligation of a local agency and that is created concurrently with, and as an integral part of, a financing to which the local agency is a party.

(g) Offers or sales of any security that constitutes a fractional interest in a lease, installment sale, or other obligation of a local agency made solely to one or more persons who are reasonably believed to be qualified institutional buyers or accredited investors.

(h) Any security that was first issued and sold prior to the effective date of this section if that security is either described in subdivision (b), (c), or (f), or was issued and sold in a transaction described in subdivision (d), (e), or (g).

(Added by Stats.1994, c. 972 (A.B.3073), § 3, eff. Sept. 29, 1994.)

§ 5952. Evidence of local agency consent

Any consent granted by a local agency under Section 5951 shall be conclusively evidenced by a resolution of the governing body of the local agency, or by a written instrument executed on behalf of the local agency by its treasurer, chief financial officer, or purchasing agent, or by any other officer of the local agency authorized by resolution of the governing body thereof to grant consents under Section 5951.

(Added by Stats.1994, c. 972 (A.B.3073), § 3, eff. Sept. 29, 1994.)

§ 5953. Local agency obligation to review proceedings relating to creation of security or offering or placement materials

No local agency that consents to an offer or sale of a security that constitutes a fractional interest in a lease, installment sale, or other obligation of the local agency shall be required to review any proceedings relating to the creation of the security or any of the offering or placement memoranda or any other marketing or descriptive materials relating to the security, and all memoranda or materials shall include a prominent statement on the face thereof substantially to the effect that the consenting local agency (specified by name) has not reviewed any of the proceedings relating to the creation of the security or any of the offering or placement memoranda or other marketing materials relating thereto.

(Added by Stats.1994, c. 972 (A.B.3073), § 3, eff. Sept. 29, 1994.)

§ 5954. Punishment

Any person who violates this chapter shall upon conviction be fined not more than ten million dollars (\$10,000,000), or imprisoned in the state prison for five years, or be punished by both that fine and imprisonment.

(Added by Stats.1994, c. 972 (A.B.3073), § 3, eff. Sept. 29, 1994.)

**FRACTIONAL I
Div. 6**

**§ 5955. Qual
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FRACTIONAL INTERESTS

Div. 6

§ 5955

§ 5955. Qualification of offer or sale of security under corporate securities law; necessity

The obtaining of local agency consent to an offer or sale of a security under Section 5951 shall not obviate the necessity of qualification of the offer or sale of such security under Division 1 (commencing with Section 25000) of Title 4 of the Corporations Code, unless the security or transaction is exempt from qualification under such law.

(Added by Stats.1994, c. 972 (A.B.3073), § 3, eff. Sept. 29, 1994.)

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